



Whistleblower Protection Policy

Issued by:

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Director

On behalf of K2 Energy Limited Board of Directors

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1. Introduction

The Board and Senior Management of K2 Energy Limited (“K2 Energy”) (“the Company”) are committed to achieving our corporate objectives in accordance with our values, K2 Energy’s Code of Conduct and all applicable laws.

K2 Energy takes illegal, unethical or otherwise improper conduct involving our employees, our customers and the production of our products seriously. To protect K2 Energy’s reputation in the marketplace, our shareholders and other stakeholders, we encourage people to speak up if they have concerns and K2 Energy will endeavor to provide those persons with appropriate protection and support under this policy.

This policy is intended to assist K2 Energy in conducting its business in accordance with our values, K2 Energy’s Code of Conduct and all applicable laws.

2. Purpose

- 2.1 The purpose of this policy is to empower any Eligible Disclosers to report suspected or actual Reportable Conduct without fear of retaliation, victimisation or disadvantage. They may report anonymously if they wish. It provides guidance about how to speak up about Reportable Conduct and how such reports may be handled.

A report can only be made under this policy if the Eligible Discloser has Reasonable Grounds to suspect that there is Reportable Conduct.

'Reasonable Grounds' generally means that there must be some supporting information for the suspicion. A mere allegation is not enough. Reports must not contain information that is known to be untrue.

An 'Eligible Discloser' means any current or former K2 Energy:

- a) officer or employee;
- b) trainee or work experience placement;
- c) supplier, contractor or consultant (including any of their employees); and
- d) any current or former relative, dependent or spouse of (a) - (c).

'Reportable Conduct' includes misconduct, or an improper state of affairs or circumstances relating to K2 Energy or any members of K2 Energy. Examples include but are not limited to the following:

- a) dishonest, corrupt or illegal activities;
- b) unethical conduct;
- c) risks to the health and safety of workers;
- d) damage, sabotage, violence;
- e) theft, fraud, money laundering or misappropriation;
- f) a serious breach of K2 Energy’s Code of Conduct;
- g) offering or accepting a bribe;
- h) improper or illegal use of the Company’s funds or resources;
- i) illegal drug or alcohol sale/use;
- j) environmental damage;
- k) any instruction to cover up or attempt to cover up Reportable Conduct;
- l) recrimination against someone because they participated in an investigation or review of a concern reported under this policy;
- m) victimising someone for speaking up about Reportable Conduct.

Reportable Conduct which occurred before the commencement of this policy can be reported. Reportable Conduct does not generally include Personal Work-Related Grievances, unless it is about retaliation or victimisation because of a previous disclosure under this policy or it has significant implications for K2 Energy and relates to Relevant Legislation.

'**Personal Work-Related Grievances**' are grievances about any matter relating to the Eligible Discloser's employment, or former employment, having (or tending to have) implications for the Eligible Discloser personally. Examples of conduct not covered by this policy include, but are not limited to:

- a decision relating to the terms and conditions of engagement of the Eligible Discloser;
- a decision relating to the engagement, transfer or promotion of the Eligible Discloser;
- an interpersonal conflict between the Eligible Discloser and another employee;
- a decision to suspend or terminate the engagement of the Eligible Discloser, or otherwise to discipline the Eligible Discloser.

If an employee has a 'Personal Work-Related Grievance' (please refer to Appendix 1) concerns should be reported to your line manager or the person / persons to whom they report.

- 2.2 To assist K2 Energy in investigating a report under this policy, it is helpful if Eligible Disclosers disclose all Relevant Facts, where possible.

'**Relevant Facts**' means information relating to the Reportable Conduct which may include:

- a) the organisation's name and location;
- b) names and positions of any witnesses to the Reportable Conduct;
- c) the name/s and positions of people involved including the manager of the people involved;
- d) the nature of Reportable Conduct including a description of the conduct with dates, times, how it was observed (e.g. first-hand, overheard), and the way the conduct occurred (e.g. in person, over the phone, emails);
- e) physical evidence, such as copies of relevant correspondence or emails

3. Scope including 'How to Report'

- 3.1 K2 Energy has a number of channels for making a report.

Authorised Representative

An 'Authorised Representative' means one of the following:

- a) a Board Member of K2 Energy Limited;
- b) Chief-Executive Officer;
- c) a team member of the K2 Energy's external auditors identified in the Annual Report of K2 Energy; or
- d) any person authorised by the K2 Energy Board to receive disclosures about Reportable Conduct

The report will generally be referred to the Company Secretary.

Written Report

Reports may be posted in an envelope marked '**PRIVATE & CONFIDENTIAL – TO BE OPENED BY ADDRESSEE ONLY**' to:

K2 Energy Limited
The Company Secretary
Suite 10.04, Level 10
56 Pitt Street
Sydney NSW 2000

Where the Company Secretary is implicated in any Reportable Conduct the written report should not be addressed to the Company Secretary but should be addressed to the Chairman of the Board of K2 Energy as detailed below.

Reports in this circumstance may be posted in an envelope marked '**PRIVATE & CONFIDENTIAL – TO BE OPENED BY ADDRESSEE ONLY**' to:

K2 Energy Limited
The Chairman
Suite 10.04, Level 10
56 Pitt Street
Sydney NSW 2000

External reporting bodies

While K2 Energy encourages Eligible Disclosers to use this policy, this policy is not intended to prevent an Eligible Discloser from making a protected disclosure to K2 Energy's auditor or to the relevant regulators. For example, disclosures can also be made to ASIC, APRA, the Australian Federal Police or, if related to taxation, the ATO.

In limited circumstances Eligible Disclosers may make public interest or emergency disclosures in accordance with the Relevant legislation.

Eligible Disclosers are encouraged to provide the Company Secretary with copies of any report that they make to external reporting bodies so that K2 Energy can conduct its own inquiries into the concerns that have been raised.

Eligible Disclosers may seek legal advice from or be legally represented by a lawyer in relation to their reports.

See Appendix 2 for a diagram summarising the process.

4. Definitions

Definitions used in this policy are located throughout this policy and in Appendix 3 to this policy. The meanings of defined terms are limited to this Policy unless stated otherwise.

5. Process for Handling Reports

The Company Secretary or Chairman, once in receipt of the written report, will appoint an internal or external investigating officer who will determine/review/enquire/investigate as required.

6. Timing of the Report

Eligible Disclosers are encouraged to disclose Reportable Conduct as soon as they have reasonable grounds to suspect it has occurred. If Reportable Conduct has taken place in the past, it is not too late to report it because disclosing it may still have a significant impact.

7. Whistleblower Support

K2 Energy supports Eligible Disclosers, by:

- keeping the Eligible Discloser informed of the progress and outcomes of the inquiry or investigation (subject to any privacy and confidentiality obligations, and as required by law) including any proposed remedial actions;
- endeavoring to resolve any concerns that the Eligible Discloser has regarding the confidentiality of their identity or actual or threatened detrimental treatment because the Eligible Discloser has made, or is considering making, a report under this Policy; and
- providing training to its employees, managers and officers about this Policy.

Where the Eligible Discloser may have been involved in conduct connected with the report of Reportable Conduct, the fact that the Eligible Discloser made a report may, at the Company's absolute discretion, be relevant to any remedial or disciplinary action that may be taken because of an inquiry or investigation.

8. Whistleblower Protection

- 8.1 While anonymous disclosures may be made under this policy and Relevant Legislation, it can be difficult for K2 Energy to review and investigate Reportable Conduct without understanding the role of the Eligible Discloser and being able to contact them for the purposes of obtaining further information when necessary. For this reason, we encourage Eligible Disclosers to agree to disclose their identities when making a report under this Policy if they are comfortable in doing so.
- 8.2 Unless the law permits otherwise, an Eligible Discloser's consent will be obtained before his or her identity is disclosed.
- 8.3 K2 Energy will endeavor to not disclose information that is likely to lead to an Eligible Discloser's identification unless he or she has consented to K2 Energy disclosing their identity or where the disclosure of that information is reasonably necessary for the purposes of K2 Energy investigating the report and K2 Energy takes all reasonable steps to reduce the risk that the Eligible Discloser will be identified as a consequence of the disclosure.
- 8.4 K2 Energy may be required to reveal the Eligible Discloser's identity in relation to matters which are to be reported to regulators such as the ASIC, APRA, the Tax Commissioner or the Australian Federal Police.
- 8.5 The Eligible Discloser's identity may also be divulged if legal advice or representation is required by K2 Energy or where a court or tribunal finds it is necessary in the interests of justice.
- 8.6 K2 Energy will endeavor to protect an Eligible Discloser from detrimental treatment (or threats of detrimental treatment) because they have made, are proposing to make, or are able to make, a report of information relating to Reportable Conduct under this policy and in accordance with the Relevant Legislation. Eligible Disclosers must immediately inform the Company Secretary (or if the Company Secretary is involved in the Reportable Conduct, the Chairman of the Board of the Company) of any concerns they have about their report.
- 8.7 This Policy summarises the key protections and immunities under Relevant Legislation, however K2 Energy encourages all persons to seek independent legal advice. If an Eligible Discloser makes

a report of information relating to Reportable Conduct under this policy, they may be eligible for protection under the Relevant Legislation. For example, the Eligible Discloser may have rights to compensation for loss, damage or injury and other remedies if the Eligible Discloser's identity has been disclosed or where they have been subject to detrimental treatment. An Eligible Discloser may also be entitled to certain immunities if they make a report under this Policy or under Relevant Legislation, including:

- not having any contractual or other remedy or right enforced against the Eligible Discloser on the basis of their report;
- not being subject to any civil, criminal or administrative liability for making a report (i.e. except where the Reportable Conduct relates to the Eligible Discloser's conduct);
- the report not being admissible in evidence against the Eligible Discloser in criminal proceedings or proceedings for the imposition of a penalty (except in respect of the falsity of the information in the report).

8.8 Detrimental treatment includes intimidation, harassment, threats, coercion, action causing injury, loss or damage, discrimination, disadvantage, adverse treatment in relation to an Eligible Discloser's employment, career, profession, trade or business. K2 Energy will regard any detrimental treatment of an Eligible Discloser very seriously and may take appropriate action, which could include, in the case of employees, disciplinary action and dismissal. In the case of a contractor, such appropriate actions may include suspension and/or termination of its contract with K2 Energy.

9. False Reports

Employees who knowingly make a false report of Reportable Conduct may face disciplinary action, including immediate termination in serious cases. In the case of a contractor, actions may include suspension and/or termination of its contract with K2 Energy.

The disciplinary action will depend upon the severity, nature and circumstances of the false report.

10. Fair Treatment of Named Employees

K2 Energy will endeavor to provide any employee mentioned in an Eligible Discloser's report with an opportunity to respond to the allegations as part of any inquiry or investigation.

11. Investigation

The Company Secretary, in conjunction with the Chairman (or where the Chairman is involved, in conjunction with the Chairman of the Audit Committee) or the Chairman in the first instance, if the Company Secretary is implicated, may initially review the report or may provide the report to another appropriate person within K2 Energy, for example, by having regard to the nature of the report.

The person conducting the review will make initial inquiries and will determine at their discretion whether it is appropriate or necessary to conduct further inquiries or whether the concern can be resolved by other appropriate action.

If there is to be further inquiry, that inquiry or investigation may be conducted by a senior manager, or at the discretion of K2 Energy, by an external person. The investigator will not be

implicated directly or indirectly in the report and will report to the Company Secretary or the Chairman of the Board of the Company.

All inquiries and/or investigations will be conducted, as far as practicable, on a confidential basis and in accordance with the Relevant Legislation.

The Audit Committee will be provided with a quarterly report of all disclosed Reportable Conducts which have been received by Authorised Representatives and via mail and the outcomes.

12. Communication

The Company Secretary (or their delegate) or the Chairman of the K2 Energy Board (or their delegate) if the Company Secretary is implicated, and the person conducting the inquiry or investigation will to the extent it is reasonable, keep the Eligible Discloser updated on the investigation and any action taken in relation to the Eligible Discloser's report.

13. General

13.1 Local Laws

This Policy applies to K2 Energy, except in locations where there are local laws dealing with this subject matter or as otherwise determined by K2 Energy.

13.2 Questions

Eligible Disclosers are encouraged to speak to the Company Secretary if they have any questions regarding their obligations under this Policy.

13.3 No Waiver

A delay or failure to enforce a provision of this Policy does not constitute a waiver of K2 Energy's right/s to do so.

13.4 Review

K2 Energy will periodically review this Policy to check that it is operating effectively, having regard to its objectives and the support it provides to the K2 Energy's Code of Conduct and the requirements of applicable laws, and to determine whether any changes are required to the Policy.

13.5 Interpretation

The headings in this Policy are for reference only and are not intended to limit the meaning or application of the matters stated under the headings.

13.6 Variations

K2 Energy reserves the right to amend, vary, replace or terminate this Policy at any time in its absolute discretion.

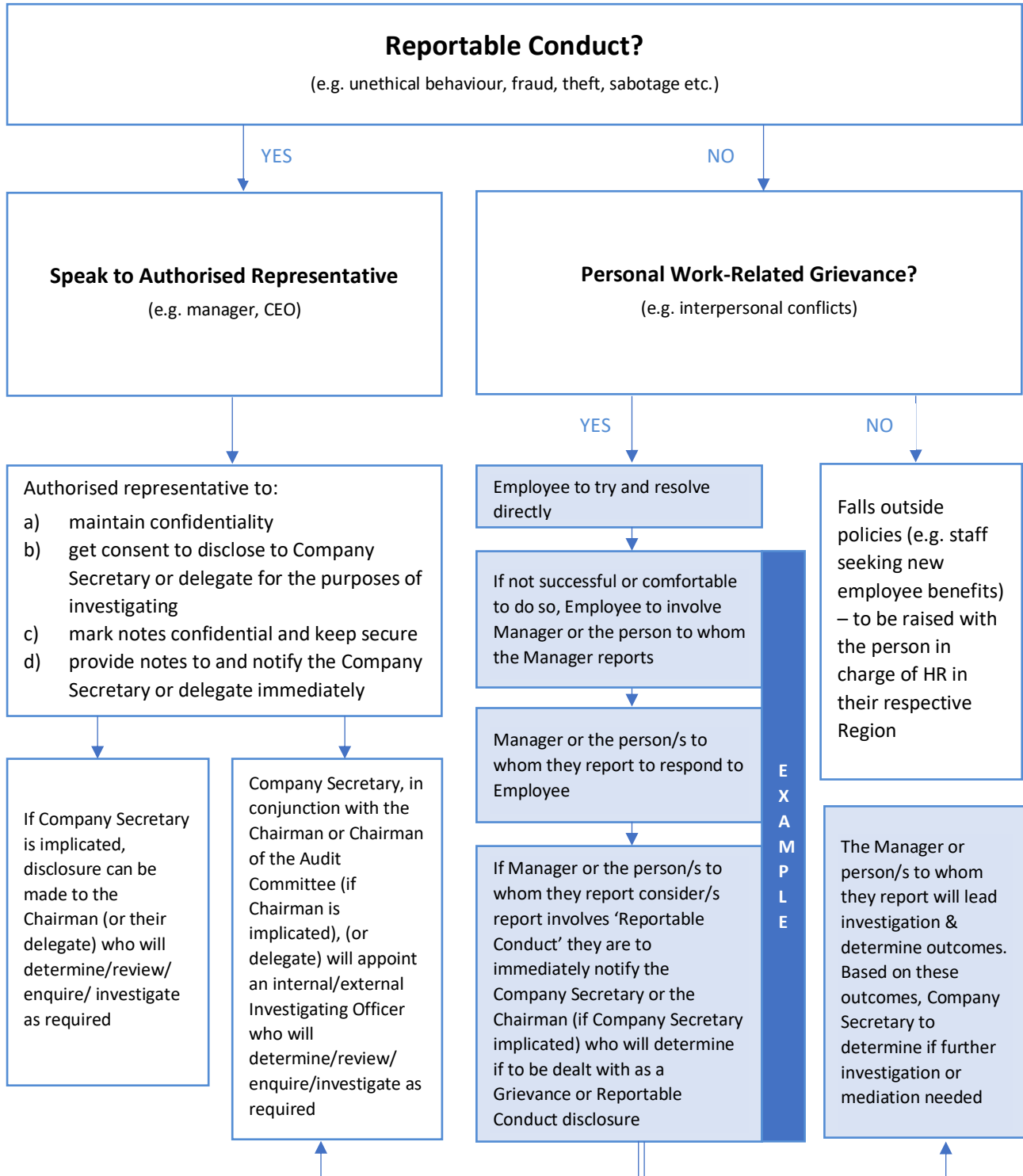
13.7 Policy Location

The latest version of this Policy can be found on K2 Energy website.

TYPE OF CONCERN	WHO CAN I SPEAK TO?
<p>Interpersonal conflict between you and another Employee in the Workplace</p>	<ul style="list-style-type: none"> • Speak to the person directly • Speak to your manager • Speak to the person/s to whom your manager reports
<p>Personal Work-Related Grievance.</p> <p>For example:</p> <ul style="list-style-type: none"> • an interpersonal conflict between you and another Employee; • a decision relating to your engagement, transfer or promotion as an Employee; • a decision relating to your terms and conditions of engagement as an Employee; • a decision to suspend or terminate your engagement as an Employee or otherwise to discipline you as an Employee. 	<ul style="list-style-type: none"> • Speak to your manager • Speak to the person/s to whom your manager reports
<p>Conduct involving K2 Energy or a supplier or a customer which raises issues of illegal or unethical conduct</p> <ul style="list-style-type: none"> - Refer to this 'Whistleblower Protection Policy' 	<ul style="list-style-type: none"> • Speak to your Manager • Speak to the person/s to whom your manager reports • Speak to an Authorised Representative

APPENDIX 2

Whistleblower Protection and Grievance Handling Processes



'Reportable Conduct' includes misconduct, or an improper state of affairs or circumstances relating to K2 Energy or any members of K2 Energy. Examples include but are not limited to the following:

- a) dishonest, corrupt or illegal activities;
- b) unethical conduct;
- c) risks to the health and safety of workers;
- d) damage, sabotage, violence;
- e) theft, fraud, money laundering or misappropriation;
- f) offering or accepting a bribe;
- g) improper or illegal use of the Company's funds or resources;
- h) illegal drug or alcohol sale/use;
- i) environmental damage;
- j) any instruction to cover up or attempt to cover up Reportable Conduct;
- k) recrimination against someone because they participated in an investigation or review of a concern reported under this policy;
- l) victimising someone for speaking up about Reportable Conduct.

EXCLUDES 'Personal Work-Related Grievances' are grievances about any matter relating to the Eligible Discloser's employment, or former employment, having (or tending to have) implications for the Eligible Discloser personally. Examples of conduct not covered by this policy include, but are not limited to:

- a decision relating to the terms and conditions of engagement of the Eligible Discloser;
- a decision relating to the engagement, transfer or promotion of the Eligible Discloser;
- an interpersonal conflict between the Eligible Discloser and another employee;
- a decision to suspend or terminate the engagement of the Eligible Discloser, or otherwise to discipline the Eligible Discloser.

APPENDIX 3

Definitions and Interpretation

In this policy references to:

'**ASIC**' means Australian Securities and Investments Commission.

'**APRA**', means Australian Prudential Regulatory Authority.

'**ATO**' means Australian Taxation Office.

'**K2 Energy**' or '**the Company**' means K2 Energy Limited and each of its related companies or entities, both current and in the future. Where used in this policy, a reference to 'K2 Energy' or 'the Company' may be to all companies or entities or any one or more of the companies or entities as may be applicable in the context.

'**Company Secretary**' means the Company Secretary of K2 Energy Limited or their delegate.

'**Relevant Legislation**' means the Corporations Act 2001, the Australian Securities and Investments Commission Act 2001, the Banking Act 1959, the Financial Sector (Collection of Data) Act 2001, the Insurance Act 1973, the Life Insurance Act 1995, the National Consumer Credit Protection Act 2009, the Superannuation Industry (Supervision) Act 1993, Competition and Consumer Act 2010, the Taxation Administration Act 1953, other tax laws administered by the Federal Commissioner of Taxation, any other Commonwealth law that is punishable by imprisonment for a period of 12 months or more, and regulations under or instruments referred to in these Acts (or similar international legislation relating to the Employee's country of employment).