



Indago Energy Limited

CODE OF CONDUCT AND ETHICS

1. OVERVIEW

1.1 Purpose

The Indago Energy Limited (Indago) Code of Conduct and Ethics (Code) governs all Indago commercial operations and the conduct of Directors, employees, consultants, contractors and all other people when they represent Indago (Personnel).

1.2 Provision of this Code

A copy of this Code will be given to all incumbent and new Personnel.

1.3 Questions – Interpretation & Enforcement of this Code

Any questions relating to the interpretation or enforcement of this Code should be forwarded to the Company Secretary.

2 GENERAL PRINCIPLES

2.1 Compliance with Laws

Indago, its subsidiaries and associated entities and Personnel are expected to comply, at all times, with all applicable laws. They are also expected to conduct Indago operations in keeping with the highest legal, moral and ethical standards.

2.2 Performance of Duties by Personnel

All Personnel of Indago, its subsidiaries and associated entities must conduct the business of Indago with the highest level of ethics and integrity in relation to each other and all others with whom they deal.

Personnel must act:

- i. ethically, honestly, responsibly and diligently;
- ii. in full compliance with the letter and spirit of the law and this Code; and
- iii. in the best interest of Indago.

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2.3 Breach of the Code

Any breach of applicable laws, accepted ethical commercial practices or other aspects of this Code will result in disciplinary action. Depending on the severity of the breach, such disciplinary action may include reprimand, formal warning, demotion or termination of employment/engagement (as the case may be).

Similar disciplinary action may be taken against any manager who directly approves of such action or has knowledge of the action and does not take appropriate remedial action.

Breach of applicable laws or regulations may also result in prosecution by the appropriate authorities. Indago will not pay, directly or indirectly, any penalties imposed on any Personnel as a result of a breach of law or regulation.

2.4 Reporting Breaches of the Code

All Personnel are requested to report immediately any circumstances which may involve a breach of this Code to the Company Secretary, the Managing Director or the Chairman.

It is in the best interests of Indago for all Personnel to immediately report any observation of a breach of this Code.

The external auditors of Indago are responsible for reviewing the operations of Indago. Part of this review will be to report to the Board any breaches of this Code which they detect.

3 STATEMENT OF COMPLIANCE

3.1 Certificate of Compliance

From time to time, the Managing Director and Chief Financial Officer will be required to certify compliance with this Code personally and in their areas of responsibility.

3.2 Reference to Compliance in the Indago Annual Report

The Board will include reference to compliance with this Code in the Annual Report to Shareholders in its Corporate Governance Statement.



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4 COMPLIANCE WITH LAWS AND REGULATIONS

4.1 Indago Operations – Compliance with Laws

The operations of Indago **must** be conducted in compliance with all laws and regulations applicable in Australia and in the jurisdictions in which Indago's operations and activities are being undertaken.

4.2 Observing the Letter and Spirit of the Law

Compliance with the law means observing the letter and spirit of the law as well as managing the business of Indago so that Indago and its Personnel are recognised as “good corporate citizens” at all times.

5 UNACCEPTABLE PAYMENTS & CONTRIBUTIONS

5.1 Prohibited Payments & Contributions

Bribes, kickbacks, inducements or other illegal payments of any kind must not be made (either directly or indirectly) to or for the benefit of any government official (of any country) or any other third party in connection with obtaining orders or favourable treatment or for any other purpose.

Political contributions (to any government or political official or party) must not be made directly or indirectly on behalf of Indago without the prior approval of the Board.

5.2 Personnel's Responsibilities

Personnel must not seek or accept any type of compensation, fee, commission or gratuity from a third party in connection with the operations of Indago.

6 GIVING OR RECEIVING GIFTS

Personnel must not give, seek or accept in connection with the operation of Indago any gift, entertainment or other personal favour or assistance which goes beyond common courtesies associated with accepted ethical commercial practice. For avoidance of doubt, any gift (or series of gifts) received by Personnel from the one party which might, as a matter of judgement, fall outside the ambit of this paragraph, must be reported to the Company Secretary with full details of the background of the gift.

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7 PROTECTION OF INDAGO ASSETS

7.1 Responsibilities of Personnel

Personnel are responsible for taking all prudent steps to ensure the protection of Indago's assets and resources. In particular, Personnel should take care to minimise the possibility of theft or misappropriation of Indago's assets and resources by any person.

7.2 Assets used for Indago Purpose only

Personnel must ensure that Indago's assets and resources are used only for the purposes of Indago and in accordance with appropriate authorisations.

8 PROPER ACCOUNTING

8.1 Accounting Roles

Personnel must ensure that all Indago's accounting records accurately and fairly reflect, in reasonable detail, all underlying transactions and all of Indago's cash, assets and liabilities.

8.2 Maintenance of Accounting Records

Accounting records must be maintained in accordance with International Financial Reporting Standards and any financial and accounting policies issued by Indago.

9 DEALING WITH AUDITORS

Personnel must fully co-operate with the external auditors of Indago.

Personnel must not make a false or misleading statement to the external auditors of Indago and must not conceal any relevant information from the external auditors of Indago.

10 UNAUTHORISED PUBLIC STATEMENTS

10.1 Unauthorised Statements

Personnel must not, without prior consent of the Indago Board which may be included in the terms of engagement or as advised from time to time, directly or indirectly state that they are representing Indago or its public position in respect of any matter.

10.2 Unauthorised Activity

Personnel must not directly or indirectly engage in any activity which could by association cause Indago public embarrassment or other damage.



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11 CONFLICT OF INTEREST

11.1 Use of Position for Personal Benefit

Personnel must not use their position for personal benefit independent from the business of Indago or to benefit any other business or person.

11.2 Taking Advantage of Property

Personnel must not take advantage of any property or information belonging to Indago, or opportunities arising from those, for personal benefit independent from the business of Indago or to benefit any other business or person.

11.3 Interest in Third Parties

No Personnel, or any family member or companion over which the Personnel has influence, may directly or indirectly have an equity interest in, or have a significant beneficial connection with, any business or individual with whom Indago have entered into a commercial contract, without the prior written consent of the Chairman or his nominee. This paragraph permits contractors and consultants to have outside interests, providing that they are disclosed by the individual at the time of entry into contract with Indago.

11.4 Outside Business Activity

Personnel must not engage directly or indirectly in any outside business activity involving commercial contact with, or work for the benefit of, third parties with whom Indago have entered into a commercial contract, without the prior written consent of the Chairman or his nominee.

12 USE OF INSIDE INFORMATION

12.1 Non Disclosure of Confidential Information

Personnel must not disclose confidential Indago information to any third party without the prior consent of a Director of Indago, or if required by law.

12.2 Confidential Indago Documents

Personnel must maintain the confidentiality of all Indago's documents and must not disclose any information contained within the documents to any third party without the prior consent of a Director of Indago.



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12.3 Personal Gain

Personnel must not use Indago's information for the purpose of directly or indirectly obtaining personal gain.

13. INDAGO PERSONNEL SHARE TRADING POLICY (INSIDER TRADING)

13.1 Introduction

The *Corporations Act*, and the laws of other jurisdictions in which Indago operates, contain provisions which prohibit a person in possession of material, non-public information relating to a company from dealing in any way with shares, options or other securities issued by that company or issued or created over the company's shares by third parties (shares).

The Indago Personnel Share Trading Policy (the Insider Trading Policy) sets guidelines designed to protect Indago and Personnel from intentionally or unintentionally breaching these Laws.

13.2 The Law

The principal insider trading prohibition in Australian law is contained in section 1043A of the *Corporations Act*.

Section 1043A prohibits a person (an Insider) who is in possession of information relating to Indago that is not generally available but, if the information was generally available (see paragraph 13.3), a reasonable person would expect that information to have a material effect (see paragraph 13.4) on the price or value of Indago Securities (Material Non-Public Information) from:

- i. applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of Indago Securities;
- ii. procuring another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Indago Securities; or
- iii. directly or indirectly communicating the Material Non-Public Information to another person when the Insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - a. apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Indago Securities; or
 - b. procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Indago Securities.

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13.3 Available Information

Information relating to Indago would be considered to be generally available after it has been released to the Australian Securities Exchange Limited (ASX) and the ASX has fully disseminated that information to the market.

13.4 Information having a Material Effect on Indago Securities

A reasonable person would be taken to expect information to have a material effect on the price of Indago Securities if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of Indago Securities.

13.5 Determining Material Non-Public Information

Determining what is Material Non-Public Information is subjective. It may, as an indication, most likely include (but not be restricted to) the following types of information:

- i. spudding of wells and results of drilling and/or production testing;
- ii. the financial results of Indago Group;
- iii. projections of future earnings or losses;
- iv. material changes in Indago's financial forecasts;
- v. a declaration of a dividend;
- vi. the making of a share, option or debt issue and the under or over subscription of that issue;
- vii. acquisitions, mergers, sales, joint ventures or takeovers;
- viii. information about Indago's business direction, investments or asset purchases or sales;
- ix. regulatory decisions or industrial actions that may affect Indago's operations;
- x. the occurrence of an environmentally related incident;
- xi. the threat, commencement or settlement of any material litigation or claim;
- xii. an agreement between Indago (or a related party or subsidiary) and a Director (or related party of the Director);
- xiii. a change in accounting policy adopted by Indago;
- xiv. a proposal to change Indago auditors;
- xv. changes in senior management; and
- xvi. the health or capacity of any Director.

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13.6 Insider Trading Policy

The confidentiality of Material Non-Public Information must be strictly maintained within Indago by all persons who have access to that information, regardless of title or position. No Personnel shall disclose such information, except on a need-to-know basis, inside or outside of Indago.

13.7 Personnel in Possession of Material Non-Public Information

Personnel must not purchase or sell Indago Securities while in possession of Material Non-Public Information about Indago.

Personnel in possession of Material Non-Public Information must not cause or procure a third party to deal in the Securities of Indago.

This Policy also applies in respect of securities of other companies of which personnel have Material Non-Public information by virtue of their position in Indago.

13.8 Dealing in Indago Securities – Trading Windows

All Personnel, not in possession of Material Non-Public Information, may buy, sell or otherwise deal in Indago securities only in the three week period commencing the day after:

- i. the announcement of an Appendix 4C;
- ii. the announcement of the half yearly financial results;
- iii. the announcement of the annual full year results;
- iv. the holding of the Indago Annual General meeting; or
- v. as the Board determines (collectively known as “Trading Windows”).

Indago may notify Individuals or Personnel that they are not able to buy, sell or deal in Indago Securities during all or part of a Trading Window. This does not relieve the obligation of any Individual or Personnel to not trade within a Trading Window if in possession of price sensitive information.

In addition, if Directors trade during Trading Windows, they must confirm with the Chairman (or the Managing Director, as appropriate) that the trading has occurred. A copy of the confirmation will be sent to the Company Secretary for the official file and for notification to the ASX where required.

The Company Secretary will notify the Board of all trades by Directors as soon as reasonably practicable.



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13.9 Dealing in Indago Securities – Outside Trading Windows

Personnel may be in possession of Material Non-Public Information (which, if generally available would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell Indago Securities). As such, they (or any family member or associate over whom they have influence) are prohibited from dealing in Indago Securities outside Trading Windows without providing the Board with prior written notice of their intent to deal in Indago Securities and a request that the Trading Window be opened. The opening of the Trading Window will be at the discretion of the Board having regard to all relevant facts. The notice must include a statement that they do not believe they are in possession of any Material Non-Public Information. A copy of the notice will be sent to the Company Secretary for the official file.

Personnel must confirm with the Chairman (or the Managing Director, as appropriate) that the trading has occurred. A copy of the confirmation will be sent to the Company Secretary for the official file and for notification to ASX where required.

The Company Secretary will notify the Board of all trades by Directors as soon as reasonably practicable.

13.10 Anti-hedging Policy

Executives are not permitted to enter into transactions with Securities (or any derivative thereof) in associated products which limit the economic risk of any unvested entitlements under any equity-based remuneration schemes offered by Indago.

13.11 Breach of Insider Trading Policy

Notwithstanding the provisions of disciplinary action contained in General Principles, failure to comply with this Insider Trading Policy by any Indago Personnel constitutes cause for immediate dismissal/termination of engagement by Indago.

In addition, a breach of the prohibitions contained in the *Corporations Act* is a criminal offence punishable by imprisonment for up to five years, a fine of up to \$220,000, or both.