

CODE OF BUSINESS CONDUCT AND ETHICS

CRESCENT GOLD LIMITED ("COMPANY")

This Code of Business Conduct and Ethics sets out the ethics, principles and standards which the Board, management and employees of the Company must comply with when dealing with each other, shareholders and the broad community.

1. Responsibility to Shareholders

The Company aims:

- (a) to increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders and the financial community; and
- (b) to comply with systems of control and accountability which the Company has in place as part of its corporate governance with openness and integrity.

2. Integrity and Honesty

Directors, management and staff shall deal with the Company's security holders, customers, suppliers, competitors and each other with the highest level of honesty, fairness and integrity and observe the rule and spirit of the legal and regulatory environment in which the Company operates.

3. Respect for the Law

The Company is to comply with all legislative and common law requirements which affect its business, in particular those in respect of occupational health and safety, the environment, native title and cultural heritage. Any transgression from the applicable legal rules is to be reported to the Managing Director as soon as a person becomes aware of such a transgression.

4. Conflicts of Interest

Directors, management and staff must not involve themselves in situations where there is a real or apparent conflict of interest between them as individuals and the interest of the Company. Where a real or apparent conflict of interest arises, the matter should be brought to the attention of:

- (a) the chairperson in the case of a Board member;
- (b) the Managing Director in the case of a member of management; and
- (c) a supervisor in the case of an employee,

so that it may be considered and dealt with in an appropriate manner for all concerned.

5. Protection and Proper Use of Corporate Assets and Opportunities

Directors, management and staff must protect the assets of the Company to ensure availability for legitimate business purposes and ensure all corporate opportunities are enjoyed by the Company and that no property, information or position belonging to the Company or opportunity arising from these are used for personal gain or to compete with the Company.

6. Confidentiality of Corporate Information

Directors, management and staff must respect confidentiality of all information of a confidential nature which is acquired in the course of the Company's business and not disclose or make improper use of such confidential information to any person unless specific authorisation is given for disclosure or disclosure is legally mandated. Confidential information includes all information which is not public and which, if disclosed, could prejudice the Company's ability to achieve (or strive to achieve) certain objectives. It also includes any information which, if disclosed, could be harmful to the Company's interests (including its suppliers or customers) in any way; or would reasonably be expected to affect the value of the Company's securities.

7. Employment Practices

The Company will employ the best available staff with skills required to carry out vacant positions.

The Company will ensure a safe work place and maintain proper occupational health and safety practices commensurate with the nature of the Company's business and activities.

8. Responsibility to the Community

The Company will recognise, consider and respect environmental issues which arise in relation to the Company's activities and comply with all applicable legal requirements.

9. Responsibility to the Individual

The Company recognises and respects the rights of individuals and to the best of its ability will comply with the applicable legal rules regarding privacy, privileges, private and confidential information.

10. Obligations Relative to Fair Trading and Dealing

The Company will deal with others (including the Company's security holders, customers, suppliers, competitors or employees) in a way that is fair and will not engage in deceptive practices.

11. Financial and other inducements

It is an offence to bribe a foreign public official under the *Criminal Code Act 1995* ("**Code**"). There are potentially serious consequences for breaching the Code including imprisonment. The Code describes a bribe as providing, causing or promising a benefit to another person where that benefit is not legitimately due. The Code makes this provision irrespective of whether the benefit is customary or perceived to be customary or tolerated.

Internationally, various similar legislation enables each country to prosecute their own citizens and corporations, as well as other persons within their jurisdiction, for bribery of public officials abroad.

The Company does not countenance the making of payments (including payments in kind such as gifts, favours, etc.) to influence individuals to award business opportunities to the Company or to make business decisions in the Company's favour.

In some countries employees may be asked to make small payments to low-level public officials or government employees which are sometimes called facilitation payments. These payments are sought to expedite or bring about routine services or actions by those individuals. The Company does not support making these payments as a matter of policy, and expects employees and officers to make every effort to avoid them.

Where a payment of this kind cannot be resisted the payment must, at a minimum, be approved by the relevant the Company employee's supervisor and be accounted for clearly and accurately. A record must be kept detailing the value of the benefit, the date on which the conduct occurred, the identity of the foreign public official and particulars of the routine government action that was sought to be expedited or secured.

In addition, the Company must maintain an accurate and auditable record of all financial transactions in accordance with generally accepted accounting principles.

This will include maintaining appropriate records of all gifts, entertainment and payments to government officials, employees and others. Entries should not distort or disguise the true nature of any transaction.

This policy also applies to agents and third parties who are employed by the Company to represent its interests.

12. Compliance with the Code of Business Conduct and Ethics

Any breach of compliance with this Code of Business Conduct and Ethics is to be reported directly to the Managing Director, chairperson or Report and Investigation Officer, as appropriate.

13. Periodic Review of Code

The Company will monitor compliance with this Code of Business Conduct and Ethics periodically by liaising with the Board, management and staff especially in relation to any areas of difficulty which arise from this Code of Business Conduct and Ethics and any other ideas or suggestions for improvement of it. Suggestions for improvements or amendments to this Code of Business Conduct and Ethics can be made at any time by providing a written note to the Managing Director.