

Health House International Limited

ACN 149 197 651

**CORPORATE GOVERNANCE & POLICIES MANUAL
(REVISED VERSION ADOPTED SEPTEMBER 2021)**

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PREAMBLE

The Directors (the “Board”) of Health House International Limited (“Health House” or “the Company”) are committed to the implementation of the highest standards of corporate guidance. In determining what these standards should be, the Board references guidance and supports, where appropriate the Corporate Governance Principles and Recommendations (4th Edition Recommendations or ASX Recommendations”) established by the ASX Corporate Governance Council (the “Council”).

This statement outlines the key aspects of Health House’s governance framework and practices. The charters, policies and procedures are reviewed regularly and updated to comply with the law and best practice. This statement contains specific information and discloses the extent to which the Company intends to or is able to follow the 4th Edition Recommendations. The charters and policies of the Company can be viewed on the Company’s website <http://www.healthhouse.com>

The Council’s recommendations are not prescriptive and, if certain recommendations are not appropriate for the Company given its circumstances, it may elect not to adopt that particular practice in limited circumstances. The Company believes that during the reporting period ended 30 June 2021 its practices are largely consistent with those of the 4th Edition Recommendations and where they do not follow a recommendation this statement identifies those that have not been followed and details reason for the non-adherence. Even where there is deviation from the recommendations the Company continues to review and update its policies and practices in order that it keeps abreast of the growth of the Company, the broadening of its activities, current legislation and good practices.

The Corporate Governance Principles and Recommendations 4th Edition are:

1. *Lay solid foundations for management and oversight*
2. *Structure the Board to be effective and add value*
3. *Instil a culture of acting lawfully, ethically and responsibly*
4. *Safeguard the integrity of corporate reports*
5. *Make timely and balanced disclosure*
6. *Respect the rights of the shareholders*
7. *Recognise and manage risk*
8. *Remunerate fairly and responsibly*

LIST OF ADOPTED CHARTERS & POLICIES

The Company has adopted the following Charters, Policies and Rules which have been or are to be placed on its website:

1. Board charter
2. Audit policy
3. Remuneration policy
4. Nomination policy
5. Code of conduct
6. Securities trading policy
7. Securities trading rules
8. Risk management policy
9. Investment risks
10. Shareholder communication policy
11. Continuous disclosure policy
12. OH&S policy
13. Corporate Environmental and Social Responsibility policy
14. Whistleblower policy
15. Diversity policy
16. Anti-bribery and corruption policy

These charters, policies and rules are to be reviewed annually to audit compliance therewith and to identify changes required.

The Company Secretary is to maintain (and submit the same to the Board for adoption) compliance checklists to assist instil the culture contemplated by and compliance with this manual.

BOARD CHARTER

1. ROLE OF THE BOARD

The Board's key objectives are to:

- 1.1. create an environment for employees, other contributors and stakeholders which engenders trust, confidence, faith, loyalty and dedication to the interests and affairs of the Company;
- 1.2. increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders; and
- 1.3. ensure the Company is properly managed and operated with integrity.

2. RESPONSIBILITY OF THE BOARD

The Board is collectively responsible for promoting the success of the Company by:

- 2.1. supervising the Company's framework of control and accountability systems to enable risk to be assessed and managed, including addressing the matters enumerated in paragraph 2.2 following;
- 2.2. ensuring the Company is properly managed, for example by:
 - 2.2.1. appointing and, where appropriate, removing the managing director, chair, CEO and other senior executives of the Company and the Company Secretary;
 - 2.2.2. providing leadership and setting of corporate strategy and performance objectives;
 - 2.2.3. reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance; and
 - 2.2.4. monitoring senior management's performance and implementation of strategy, ensuring appropriate resources are available and its performance objectives;
- 2.3. approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;
- 2.4. approving the annual budget;
- 2.5. monitoring the financial performance of the Company and overseeing the integrity of the company's accounting and corporate reporting systems, including the external audit;
- 2.6. providing overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure division of functions remain appropriate to the needs of the Company;
- 2.7. appointing the external auditor (where applicable, based on recommendations of the Audit Committee) and the appointment of a new external auditor when

BOARD CHARTER

any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company;

- 2.8. liaising with the Company's external auditors and Audit Committee (where there is a separate Audit Committee); and
- 2.9. monitoring and ensuring compliance with all of the Company's legal obligations, in particular those obligations relating to the environment, social responsibility, cultural heritage and occupational health and safety.

The Board must convene regular meetings with such frequency as is sufficient to discharge appropriately its responsibilities. The Board is to meet at regular intervals and at least once every three months.

The Board may not delegate its overall responsibility for the matters listed above however, it may delegate related day-to-day activities provided those matters do not exceed the Materiality Threshold as defined herein.

3. COMPOSITION OF THE BOARD

Independent Directors

- 3.1. The Board considers that a director is independent if that director is not involved in the day to day management of the Company and has no relationship that could compromise or materially affect that director's independent judgment. All the circumstances must be considered to assess whether the director can reasonably be considered to be free of any relationship that could materially interfere with his independent exercise of judgement and ability to act in an entirely disinterested manner in all things.
- 3.2. The following questions need to be addressed when assessing a director's independence, namely:
 - 3.2.1. does the director have or propose to have any business dealings with the Company;
 - 3.2.2. has the director been in an executive capacity in the Company in the last 3 years;
 - 3.2.3. has the director been involved with the company in an advisory capacity within the last 3 years;
 - 3.2.4. has the director been a significant customer or supplier for the Company;
 - 3.2.5. has the director been appointed through a special relationship with a Board member, ie. having a close family tie with another person who would not be considered independent;
 - 3.2.6. does the director owe allegiance to a particular group of shareholders which gives rise to a potential conflict of interest;
 - 3.2.7. does the director hold conflicting cross directorships; and

BOARD CHARTER

- 3.2.8. does the director have a substantial shareholding or is he a nominee of a substantial shareholder (as defined under section 9 of the Corporations Act); and
- 3.2.9. has the person been a director of the entity for such a period that his or her independence may have been compromised.

It is a priority of the Board to achieve an appropriate balance between independent and non-independent representation on the Board. In making this determination, the Board takes into account the required skills and experience required, in the context of the Company's operations and activities from time to time. In determining whether or not the directors are independent, the Board applies the criteria as set out in the ASX's Recommendations.

Where the chair is not an independent director, the Company will appoint a lead independent director if it is practicable to do so. The lead independent director will take over the role of the chair when the chair is unable to act in that capacity as a result of his or her lack of independence.

The independent directors, along with all directors, are responsible for reviewing and challenging executive performance. They are also responsible for contributing to the development of strategy.

Executive Directors

- 3.3. The Board considers that a director is an executive if that director is involved in the day to day management of the Company.

4. RESPONSIBILITY OF INDIVIDUAL DIRECTORS AND THE COMPANY SECRETARY

4.1. The Chair

The chair is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the briefing of all directors in relation to issues arising at Board meetings. The chair is also responsible for monitoring shareholder communication, continuous disclosure compliance and Board performance.

4.2. The Managing Director

The managing director is responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out those responsibilities, the managing director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

The managing director is responsible for ensuring that the Board is provided with at least the following information, namely, all material information on operations, budgets, cash flows, funding requirements, shareholder movements, broker activity in the Company's securities, assets and liabilities,

BOARD CHARTER

disposals, financial accounts, external audits, internal controls, risk assessment, new venture proposals, and health, safety and environmental reports.

4.3. The Company Secretary

The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. Each director should be able to communicate directly with the company secretary and vice versa.

5. OTHER DIRECTORSHIPS

5.1. Executive Directors

Executive directors are required to notify the Company of all directorships held on appointment and any changes thereto thereafter. In respect of listed companies they are permitted to hold only one non-executive director role. They shall not hold any other executive director roles. Without limitation to the foregoing, if executive directors intend to accept any directorships after their appointment as a director of the Company, they must first obtain the consent of the Board, such consent not to be unreasonably withheld.

5.2. Non-executive Directors

Non-executive directors are required to notify the Company of all directorships held on appointment and any changes thereto thereafter. A non-executive director must not hold the office of executive director of more than one other a listed company (and in such case may not hold any additional non-executive directorships of listed companies). A non-executive director must not hold the office of non-executive director of more than four other listed companies. Without limitation to the foregoing, if non-executive directors intend to accept any directorships after their appointment as a director of the Company, they must first obtain the consent of the Board, such consent not to be unreasonably withheld.

6. PROCESS FOR EVALUATING BOARD PERFORMANCE

The Board may undergo periodic formal assessment processes, including assessment of the Board's committees, where applicable. An independent, third party consultant may be used to facilitate the assessment.

The assessment process which may be used by the Board requires each director to complete a questionnaire relating to the role, composition, procedures, practices and behaviour of the Board and its members. Senior executives having most direct contact with the Board may also be invited to complete similar questionnaires. Responses to the questionnaires are confidential and provided direct to the consultant, with the results in aggregate then being communicated to the Chair of the Board.

The Board as a whole then hold a facilitated discussion during which each Board member has the opportunity to raise any matter, suggestion for improvement or criticism with the Board, as a whole.

BOARD CHARTER

The Chair of the Board may also meet individually with each Board member to discuss their performance.

The Board has access to the resources of the Company Secretary and also approves the appointment or removal of the Company Secretary on the advice of management. The Company Secretary is responsible for providing reference files and Board papers to each director, ensuring that management provides content in adequate detail. The Company Secretary is also responsible and accountable to the Board on all the Company's governance matters.

7. ACCESS TO INDEPENDENT ADVICE

- 7.1. Each director has the right, so long as he is acting reasonably in the interests of the Company and in the discharge of his duties as a director, to seek independent professional advice and recover the reasonable costs thereof from the Company.
- 7.2. The advice shall only be sought after consultation about the matter with the chairman (where it is reasonable that the chairman be consulted) or, if it is the chairman that wishes to seek the advice or it is unreasonable that he be consulted, another director (if that be reasonable).
- 7.3. The advice is to be made immediately available to all Board members other than to a director against whom privilege is claimed.

8. ROLE AND RESPONSIBILITY OF MANAGEMENT

The role of management is to support the managing director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Management is responsible for reporting all matters which fall within the Materiality Threshold at first instance to the managing director or, if the matter concerns the managing director, then directly to the chair or the lead independent director, as appropriate.

9. MATERIALITY THRESHOLD

The Board has agreed on the following guidelines for assessing the materiality of matters:

9.1. Materiality – Quantitative

Balance sheet items

Balance sheet items are material if they have a value of more than 5% of pro-forma net assets.

Profit and loss items

Profit and loss items are material if they will have an impact on the current year operating result of 10% or more.

9.2. Materiality – Qualitative

BOARD CHARTER

Items are also material if:

- 9.2.1. they are of a character that enlivens the obligation to disclose under either ASX Listing Rule 3.1 or the continuous disclosure obligations arising in terms of the Corporations Act;
- 9.2.2. they impact on the reputation of the Company;
- 9.2.3. they involve a breach of legislation;
- 9.2.4. they are outside the ordinary course of business;
- 9.2.5. they could affect the Company's rights to its assets;
- 9.2.6. if accumulated they would trigger the quantitative tests;
- 9.2.7. they involve a contingent liability that would have a probable effect of 5% or more on balance sheet or profit and loss items; or
- 9.2.8. they will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.

9.3. Material Contracts

Contracts will be considered material if:

- 9.3.1. they are outside the ordinary course of business;
- 9.3.2. they contain exceptionally onerous provisions in the opinion of the Board;
- 9.3.3. they impact on income or distribution in excess of the quantitative tests;
- 9.3.4. there is a likelihood that either party will default, and the default may trigger any of the quantitative tests;
- 9.3.5. they are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests;
- 9.3.6. they contain or trigger change of control provisions;
- 9.3.7. they are between or for the benefit of related parties; or
- 9.3.8. they otherwise trigger the quantitative tests.

Any matter which falls within the above guidelines is a matter which triggers the materiality threshold (**Materiality Threshold**).

AUDIT POLICY

1. SUBMISSION TO AUDIT

As part of the Company's commitment to safeguarding integrity in financial reporting, the Company's accounts are subject to annual audit by an independent professional auditor, who also reviews the half-yearly accounts.

The auditor will attend and be available to answer questions at the Company's annual general meetings.

2. AUDITOR INDEPENDENCE

The Company will monitor the independence and competence of its external auditors. Details of the amounts paid for both work and non-audit services will be set out in each annual report.

The Board requires that adequate handovers occur in the year prior to rotation of an audit partner, to ensure an efficient and effective audit under the new partner.

3. COMPOSITION OF THE AUDIT COMMITTEE

The Board (together with such other person(s) as it sees fit to appoint) shall comprise the Audit Committee.

4. ROLE OF THE AUDIT COMMITTEE

The role of the Audit Committee is to:

- 4.1. monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments;
- 4.2. review the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems;
- 4.3. monitor and review the effectiveness of the Company's internal audit function (if any);
- 4.4. monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- 4.5. perform such other functions as assigned by law, the Company's constitution, or the Board; and
- 4.6. review and make recommendations in relation to:
 - 4.6.1. appointment or removal of the auditor;
 - 4.6.2. rotation of the audit partner; and
 - 4.6.3. the scope and adequacy of the external audit, including the performance of the external auditor.

AUDIT POLICY

5. OPERATIONS OF COMMITTEE

The committee is to meet at least half yearly, with further meetings on an as required basis.

Minutes of all meetings of the committee are to be kept and a report made at each subsequent meeting of the Board.

Committee meetings will be governed by the same rules as set out in the Company's constitution as apply to the meetings of the Board.

Relevant members of management and the external auditor may be invited to attend meetings.

The committee shall, where practicable, meet with the external auditor without management present, as required.

6. COMMITTEE'S AUTHORITY AND RESOURCES

The Company is to provide the committee with sufficient resources to undertake its duties, including provision of educational information on accounting policies and other financial topics relevant to the Company, and such other relevant materials requested by the committee.

The committee will have the power to conduct or authorize investigations into any matters within the committee's scope of responsibilities. The committee will have the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisors.

7. REPORTING TO THE SHAREHOLDERS

The chair of the audit committee is to be present at the annual general meeting to answer questions, through the chair of the Board.

REMUNERATION POLICY

1. REMUNERATION COMMITTEE

A Remuneration Committee is to be maintained comprising at least three persons, one of whom at least must be a director. The composition of the Remuneration Committee can vary to accommodate the requirement that a director must not sit on the committee to consider that director's remuneration.

The Remuneration Committee may seek input from senior executives on remuneration policies, but no senior executive should be directly involved in deciding their own remuneration.

2. ROLE

The function of the committee is to assist the Board in fulfilling its corporate governance responsibilities with respect to remuneration by reviewing and making appropriate recommendations on:

- 2.1. remuneration packages of senior executives (including directors);
- 2.2. employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed;
- 2.3. recruitment, retention and termination policies and procedures for senior executives; and
- 2.4. superannuation arrangements.

When reviewing remuneration packages of senior executives (including directors), the Committee shall include a comparative review of the packages by gender.

3. OPERATIONS

Minutes of all meetings of the committee are to be kept. Committee meetings will be governed by the same rules as set out in the Company's constitution, as they apply to meetings of the Board.

The full Board shall, when required, review the recommendations of the Committee.

4. SENIOR EXECUTIVE REMUNERATION AND INCENTIVES

The committee is to make decisions with respect to appropriate and competitive remuneration and incentive policies (including basis for paying and the quantum of any bonuses), for senior executives and others as considered appropriate to be singled out for special attention, which:

- 4.1. motivates them to contribute to the growth and success of the Company within an appropriate control framework; and
- 4.2. aligns the interests of key leadership with the interests of the Company's shareholders;

REMUNERATION POLICY

- 4.3. are paid within the any limits imposed by the Constitution as to the aggregate amount payable and make recommendations to the Board with respect to the need for increases to any such amount at the Company's annual general meeting; and
- 4.4. in the case of directors, only permits participation in equity-based remuneration schemes after appropriate disclosure to, due consideration by and with the approval of the Company's shareholders.

The committee is to make decisions which take into consideration the remuneration and incentive levels offered by gender.

The committee is to ensure that recommendations are made to the Board with respect to the above.

5. NON-EXECUTIVE DIRECTORS

The committee is to ensure that non-executive directors are not provided with retirement benefits other than statutory superannuation entitlements.

To the extent that the Company adopts a remuneration structure for its non-executive directors other than in the form of cash and superannuation, the committee shall document its reasons for the purpose of disclosure to stakeholders.

6. INCENTIVE PLANS AND BENEFITS PROGRAMS

The committee is to:

- 6.1. review and make recommendations concerning long-term incentive compensation plans, including the use of equity-based plans. Except as otherwise delegated by the Board, the committee will act on behalf of the Board to administer equity-based and employee benefit plans, and as such will discharge any responsibilities under those plans, including making and authorising grants, in accordance with the terms of those plans;
- 6.2. ensure that, where practicable, incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide remuneration when they are achieved; and
- 6.3. continually review and, if necessary, improve any existing benefit programs established for employees.

NOMINATION POLICY

1. NOMINATION COMMITTEE

The Nomination Committee shall comprise three members, and where possible, have a majority of independent directors.

2. ROLE

The function of the Nomination Committee is to identify and recommend candidates to fill vacancies and to determine the appropriateness of director nominees for election to the Board. The Board recognises the benefits arising from diversity and aims to promote an environment conducive to the appointment of well qualified Board candidates so that there is appropriate diversity to maximise the achievement of corporate goals.

3. OPERATIONS

The committee is to meet at least annually, with further meetings on an as required basis. Minutes of all meetings are to be kept.

4. RESPONSIBILITIES

The responsibilities of the Nomination Committee are:

- 4.1. to implement processes to assess the necessary and desirable competencies of Board members including, experience, expertise, skills and performance of the Board and its committees;
- 4.2. to provide new directors with an induction to the Company;
- 4.3. to provide all directors with access to ongoing education relevant to their position in the Company;
- 4.4. provide a succession plan for directors and managing director in order to maintain an appropriate mix of skills, experience, expertise and diversity on the Board;
- 4.5. evaluate the performance of the managing director;
- 4.6. review time required for non-executive directors to perform their duties;
- 4.7. annually evaluate the performance and effectiveness of the Board to facilitate the directors fulfilling their responsibilities in a manner that serves the interests of shareholders;
- 4.8. before recommending an incumbent, replacement or additional director, review his or her qualifications, including capability, availability to serve, conflicts of interest, and other relevant factors and record that review and recommendation in the minutes;
- 4.9. assist in identifying, interviewing and recruiting candidates for the Board including reviewing whether professional intermediaries should be used to identify candidates;

NOMINATION POLICY

- 4.10. annually review the composition of each committee and present recommendations for committee memberships to the Board as needed; and
- 4.11. undertake checks as to a nominated persons' character, experience, education, criminal record and bankruptcy history.

5. ELECTION/RE-ELECTION OF DIRECTORS

- 5.1. The Company will ensure the following information is provided to shareholders before it puts forward to security holders a new candidate for election as a director:
 - 5.1.1. Any material adverse information revealed by the checks the entity has performed about the director;
 - 5.1.2. Details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity and its security holders generally; and
 - 5.1.3. If the board considers that the candidate will, if elected, qualify as an independent director, a statement to that effect.
- 5.2. In the case of a candidate standing for re-election as a director:
 - 5.2.1. The term of office currently served by the director; and
 - 5.2.2. if the board considers the director to be an independent director, a statement to that effect; and
- 5.3. A statement by the board as to whether it supports the election or –re-election of the candidate.

CODE OF CONDUCT

1. PREAMBLE

This Code of Conduct sets out the principles and standards which the Board, management and employees of the Company are encouraged to strive to abide by when dealing with each other, shareholders and the broad community.

2. GENERALLY

Employees and management must assist the Board to fulfil its key objective.

Directors, management and staff shall comply with systems of control and accountability which the Company has in place with openness and integrity.

Each Board member, contractor to, and employee of the Company must keep each member of the Board fully informed of any significant internal issue relating to or affecting the Company – **this obligation is both mandatory and of the utmost importance.**

3. INTEGRITY AND HONESTY

Directors, management and staff shall deal with the Company's 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.

4. 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 continuous disclosure, occupational health and safety, the environment, social responsibility 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.

5. 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:

- 5.1. the chair in the case of a Board member;
- 5.2. the managing director in the case of a member of management; and
- 5.3. a supervisor in the case of an employee,

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

CODE OF CONDUCT

6. PROTECTION OF ASSETS

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.

7. CONFIDENTIAL 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.

8. EMPLOYMENT PRACTICES

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

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

9. 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.

10. 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 and private and confidential information.

11. OBLIGATIONS RELATIVE TO FAIR TRADING AND DEALING

The Company will deal with others in a way that is fair and will not engage in deceptive practices.

12. COMPLIANCE WITH THE CODE OF CONDUCT

Any breach of compliance with this Code of Conduct is to be reported directly to the chair or, if the chair be the subject thereof, the managing director.

For personal use only

HEALTH HOUSE INTERNATIONAL LIMITED
ACN 149 197 651

SECURITIES TRADING POLICY

1. INTRODUCTION

These guidelines set out the policy on the sale and purchase of securities in the Company by its Key Management Personnel.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

The Company has determined that its Key Management Personnel are its Directors and those employees directly reporting to the Managing Director.

Key Management Personnel are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.

The purpose of these guidelines is to assist Key Management Personnel to avoid conduct known as 'insider trading'. In some respects, the Company's policy extends beyond the strict requirements of the *Corporations Act 2001* (Cth).

2. WHAT TYPES OF TRANSACTIONS ARE COVERED BY THIS POLICY?

This policy applies to both the sale and purchase of any securities of the Company and its subsidiaries on issue from time to time.

3. WHAT IS INSIDER TRADING?

3.1 Prohibition

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- (a) that person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company's securities (i.e. information that is 'price sensitive'); and
- (b) that person:
 - (i) buys or sells securities in the Company; or
 - (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 buy or sell the securities or procure someone else to buy or sell the securities of the Company.

3.2 Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to materially affect the price of the Company's securities:

- (a) the Company considering a major acquisition;

- (b) the threat of major litigation against the Company;
- (c) the Company's revenue and profit or loss results materially exceeding (or falling short of) the market's expectations;
- (d) a material change in debt, liquidity or cash flow;
- (e) a significant new development proposal (e.g. new product or technology);
- (f) the grant or loss or a major contract;
- (g) a management or business restructuring proposal;
- (h) a share issue proposal;
- (i) an agreement or option to acquire an interest in a mining tenement, or to enter into a joint venture or farm-in or farm-out arrangement in relation to a mining tenement; and
- (j) significant discoveries, exploration results, or changes in reserve/resource estimates from mining tenements in which the Company has an interest.

3.3 Dealing through third parties

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "**Associates**" in these guidelines).

3.4 Information however obtained

It does not matter how or where the person obtains the information - it does not have to be obtained from the Company to constitute inside information.

3.5 Employee share schemes

The prohibition does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

4. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES

4.1 General rule

Key Management Personnel must not, except in exceptional circumstances deal in securities of the Company during the following periods:

- (a) two weeks prior to, and 48 hours after the release of the Company's Annual Financial Report;
- (b) two weeks prior to, and 48 hours after the release of the Interim Financial Report of the Company; and
- (c) two weeks prior to, and 48 hours after the release of the Company's quarterly reports,

(together the **Closed Periods**).

The Company may at its discretion vary this rule in relation to a particular Closed Periods by general announcement to all Key Management Personnel either before or during the Closed Periods. However, if a Key Management Personnel is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at any time.

4.2 No short-term trading in the Company's securities

Key Management Personnel should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter.

4.3 Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

4.4 Exceptions

- (a) Key Management Personnel may at any time:
- (i) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
 - (ii) acquire Company securities under a bonus issue made to all holders of securities of the same class;
 - (iii) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
 - (iv) acquire, or agree to acquire or exercise options under an employee incentive scheme (as that term is defined in the ASX Listing Rules);
 - (v) withdraw ordinary shares in the Company held on behalf of the Key Management Personnel in an employee incentive scheme (as that term is defined in the ASX Listing Rules) where the withdrawal is permitted by the rules of that scheme;
 - (vi) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
 - (vii) transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
 - (viii) make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
 - (ix) where a restricted person is a trustee, trade in the securities of the Company by that trust, provided the restricted person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the restricted person;

- (x) undertake to accept, or accept, a takeover offer;
- (xi) trade under an offer or invitation made to all or most of the security holders, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (xii) dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
- (xiii) exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or
- (xiv) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

- (b) In respect of any share or option plans adopted by the Company, it should be noted that it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of these options unless the sale of those shares occurs outside the periods specified in paragraph 4.1.

Were this is to occur at a time when the person possessed inside information, then the sale of Company securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed and the person may not have made a profit on the sale. Where Company securities are provided to a lender as security by way of mortgage or charge, a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

4.5 Notification of periods when Key Management Personnel are not permitted to trade

The Company Secretary will endeavour to notify all Key Management Personnel of the times when they are not permitted to buy or sell the Company's securities as set out in paragraph 4.1.

5. APPROVAL AND NOTIFICATION REQUIREMENTS

5.1 Approval requirements

- (a) Any Key Management Personnel (other than the Chairman) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman or the Board before doing so.
- (b) If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities, the Chairman must obtain the prior approval of the Board before doing so.

5.2 Approvals to buy or sell securities

- (a) All requests to buy or sell securities as referred to in paragraph 5.1 must include the intended volume of securities to be purchased or sold and an estimated time

frame for the sale or purchase.

- (b) Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

5.3 Notification

Subsequent to approval obtained in accordance with paragraphs 5.1 and 5.2, any Key Management Personnel who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities **must** notify the Company Secretary in writing of the details of the transaction within five (5) business days of the transaction occurring. This notification obligation **operates at all times** but does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme.

5.4 Key Management Personnel sales of securities

Key Management Personnel need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (ie a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Key Management Personnel needs to be discussed with the Board and the Company's legal advisers prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Company Secretary.

5.5 Exemption from Closed Periods restrictions due to exceptional circumstance

Key Management Personnel who are not in possession of inside information in relation to the Company, may be given prior written clearance by the Managing Director (or in the case of the Managing Director by all other members of the Board) to sell or otherwise dispose of Company securities in a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.

5.6 Severe financial hardship or exceptional circumstances

The determination of whether a Key Management Personnel is in severe financial hardship will be made by the Managing Director (or in the case of the Managing Director by all other members of the Board).

A financial hardship or exceptional circumstances determination can only be made by examining all of the facts and if necessary obtaining independent verification of the facts from banks, accountants or other like institutions.

5.7 Financial hardship

Key Management Personnel may be in severe financial hardship if they have a pressing financial commitment that cannot be satisfied other than by selling the securities of the Company.

In the interests of an expedient and informed determination by the Managing Director (or all other members of the Board as the context requires), any application for an exemption allowing the sale of Company securities in a Closed Period based on financial hardship must be made in writing stating all of the facts and be accompanied by copies of relevant

supporting documentation, including contact details of the person's accountant, bank and other such independent institutions (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

5.8 Exceptional circumstances

Exceptional circumstances may apply to the disposal of Company securities by a Key Management Personnel if the person is required by a court order, a court enforceable undertaking for example in a bona fide family settlement, to transfer or sell securities of the Company, or there is some other overriding legal or regulatory requirement to do so.

Any application for an exemption allowing the sale of Company securities in a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

6. ASX NOTIFICATION FOR DIRECTORS

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

7. EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with these guidelines for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

RISK MANAGEMENT POLICY

1. PREAMBLE

- 1.1. The identification and effective management of risk, including calculated risk-taking is an essential part of the Company's approach to creating long-term shareholder value.
- 1.2. The following is the Company's framework for:
 - 1.2.1. risk management; and
 - 1.2.2. internal compliance and control systems.

It covers the organisational, financial and operational aspects of the Company's affairs. Each Designated Officer is responsible for monitoring the managing director in the discharge of his responsibility to ensure the maintenance of, and compliance with, appropriate systems and raising any concerns in that regard with the Chairman.

2. RISK FACTORS

A schedule of risk factors that the Board considers to be particularly relevant appears at the end, and comprises a part, of this Policy.

3. GENERAL APPROACH

All key management personnel are responsible for using a commonsense approach to foreshadowing and identifying risks and promptly alerting the Board to the same.

4. DESIGN OF RISK MANAGEMENT SYSTEMS

The Board requires management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively.

The managing director is responsible for designing, implementing and reporting on the adequacy of the company's risk management and internal control system. Management reports to the Audit and Risk Committee on the Company's key risks and the extent to which he believes these risks are being managed. This is to be performed on a six monthly basis or more frequently as required by the Board or any relevant committee.

5. ASSURANCE

- 5.1. The Board will disclose that it has received assurance from the chief executive officer (or equivalent) and/or the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.
- 5.2. The managing director is responsible for ensuring that the Board is satisfied (at least annually) that:

RISK MANAGEMENT POLICY

- 5.2.1. management has developed and implemented a sound system of risk management and internal control. Detailed work on this task is delegated and the managing director shall seek approval as to the identity of the delegates;
- 5.2.2. strategic and operational risks have been reviewed in all operational spheres as part of the annual strategic planning, business planning, forecasting and budgeting process.
- 5.3. Detailed internal control questionnaires are to be completed by the managing director in relation to financial and other reporting on a six monthly basis and provided to the Board to achieve compliance with section 295A of the Corporations Act. Due to its nature, an internal control assurance given for the purpose of section 295A can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence available is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in control procedures.

6. FINANCIAL

The Company's financial situation is not complex. It relies on equity funds for exploration and administration purposes.

Quarterly cash flow reports and management accounts will be prepared and circulated to the Directors for review and consideration.

The Board must approve all material project expenditure.

The Company must maintain appropriate insurance cover. This includes cover in respect of workers' compensation, public liability, motor vehicles and property insurance. The Company may maintain travel insurance for the benefit of the traveller/traveller's next of kin.

The Company may obtain cover for Directors' and officers' liability, to the extent permitted by the Corporations Act.

The managing director must ensure that the Company implements appropriate procedures to back-up its financial and other electronic data and that the Company's physical records are held adequately safeguarded.

INVESTMENT RISKS

1. PREAMBLE

This is the schedule of risk factors referred to in the Risk Management Policy.

It is divided into two sections: specific risks and general risks. Together they outline the principal risks involved in investing in the Company but they are not, by any means, exhaustive.

2. SPECIFIC RISKS

2.1. Risk of adverse publicity

The distribution of controlled substances by the Company and the regulatory approvals needed to continue the enterprise may generate public controversy. Political and social pressures and adverse publicity could lead to delays in approval of, and increased expenses for, the Company's activities. These pressures could also limit or restrict the introduction and marketing of the Company's products. Adverse publicity from cannabis misuse or adverse side effects from cannabis or other cannabinoid products may adversely affect the commercial success or market penetration achievable by the Company's products. The nature of the Company's business attracts a high level of public and media interest, and in the event of any resultant adverse publicity, the Company's reputation may be harmed.

2.2. Loss of key relationships

The medicinal cannabis industry is undergoing rapid growth and substantial change, which has resulted in increasing consolidation and formation of strategic relationships. It is expected that this consolidation and strategic partnering will continue. Acquisitions or other consolidating transactions could harm the Company in a number of ways, including:

- 2.2.1. loss of strategic relationships if third parties with whom we have arrangements are acquired by or enter into relationships with a competitor (which could cause the Company to lose access to necessary resources);
- 2.2.2. the relationships between the Company and third parties may deteriorate and have an adverse impact on the Company's business; and
- 2.2.3. the Company's current competitors could become stronger, or new competitors could form, from consolidations.

Any of these events could put us at a competitive disadvantage, which could cause us to lose access to markets. Consolidation could also force us to expend greater resources to meet new or additional competitive threats, which could also harm the Company's results.

2.3. Risk of adverse events or other safety issues associated with product

INVESTMENT RISKS

If any of the products sold by the Company cause serious or unexpected side effects, or are associated with other safety risks such as misuse, abuse or diversion, a number of potentially significant negative consequences could result, including:

- 2.3.1. regulatory authorities may withdraw their approval, or require more onerous labelling statements for any product that is approved;
- 2.3.2. the Company could be sued and held liable for harm caused to patients; or
- 2.3.3. the Company's reputation may suffer.

The Company's distribution activities may voluntarily be suspended or terminated if at any time the board believes that they present an unacceptable risk to consumers, or that they are unlikely to receive regulatory approval or unlikely to be successfully commercialised.

2.4. Risk of changes to laws and regulations

The Company's operations are subject to a variety of laws, regulations and guidelines. The medicinal cannabis industry is evolving globally and has been identified as possibly posing risks in relation to law enforcement and government regulation. It is likely that governments worldwide, including in Australia and the UK, will continue to explore the benefits, risks, regulations and operations of companies involved in medicinal cannabis industry. While, to the knowledge of management, the Company is currently in compliance with all current laws, changes to laws and regulations due to matters beyond the control of the Company may cause adverse effects to its operations.

The introduction of new legislation or amendments to existing legislation by governments, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial position and financial performance of the Company and its shares. In addition, there is a risk that legal action may be taken against the Company in relation to commercial, legal, regulatory or other matters.

2.5. Exposure to product liability claims, regulatory action and litigation

These risks will arise if the Company's product is alleged to have caused significant loss or injury. In addition, the manufacture of medicinal cannabis involves the risk of injury to consumers due to tampering by unauthorised third parties or product contamination. Previously unknown adverse reaction resulting from human consumption of medicinal cannabis alone or in combination with other medication or substances could occur. The Company may be subject to various product liability claims, including among other products distributed by the Company caused injury or illness, inadequate instructions for use or warnings concerning possible side effects. A product liability claim or regulatory action against the Company

INVESTMENT RISKS

could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally and could have a material adverse effect on the Company's results of operations and financial conditions.

2.6. Product liability and uninsured risks

Through its intended business, the Company is exposed to potential product liability risks which are inherent in undertaking research into the clinical efficacy of, and the manufacture and supply of medicinal cannabis products. It will be necessary to secure insurance to help manage such risks. The Company may not be able to maintain insurance for product or service liability on reasonable terms in the future and, in addition, the Company's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims.

Although the Company endeavours to work to rigorous standards there is still the potential for adverse events. These events could result in the loss of or delay in generating revenue, loss of market share, failure to achieve market acceptance, diversion of development resources, and injury to the Company's reputation or increased insurance costs.

If the Company fails to meet its clients' expectations, the Company's reputation could suffer and it could be liable for damages.

Further, the Company is exposed to the risk of catastrophic loss to necessary equipment or facilities which would have a serious impact on the Company's operations. The Company gives no assurance that all such risks will be adequately managed through its insurance policies to ensure that catastrophic loss does not have an adverse effect on its performance.

2.7. Funding risk

The funds proposed to be raised pursuant to the prospectus, combined with existing cash reserves and projected cash flows, are considered sufficient to meet the immediate objectives of the Company. However, the Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of development or research. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to shareholders.

Further, the Company, in the ordinary course of its operations and developments, may be required to issue financial assurances, particularly insurances and bond/bank guarantee instruments to secure statutory and environmental performance undertakings and commercial arrangements.

INVESTMENT RISKS

The Company's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position. Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third party to a financial instrument fails to meet its contractual obligations; the risk that the Company will not be able to meet its financial obligations as they fall due; and the risk that market prices may which will affect the Company's income.

2.8. Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

2.9. New market

The market for the Company's shares is subject to uncertainty and there can be no assurance that an active market for the Company's shares will develop or continue after reinstatement of the Company's securities to trading. The price at which the Company's shares trade on ASX after reinstatement may be higher or lower than the price at which shares are issued under the public offer and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the directors and the Company have no control, such as exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that an active market in the Company's shares will develop or that the price of shares will increase.

2.10. Loss of key personnel

The responsibility to oversee the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance that there will be no detrimental effect on the Company if one or more of these employees cease their employment.

2.11. Management of growth

INVESTMENT RISKS

There is a risk that management of the Company will not be able to implement the Company's growth strategy after completion. The capacity of the Company's management to properly implement and manage the strategic direction of the Company may affect the Company's financial performance.

3. GENERAL RISKS

3.1. Introduction

This section expands upon the above risks. Nevertheless, these two sections do not exhaustively list the risks that may have a material effect on the financial position and performance of the Company and the value of its securities, the Company's exploration, (and any future) development and mining activities, or ability to fund those activities.

An investment in the Company is speculative due to the nature of the Company's business. The Board recommends that potential shareholders consider the risks described below and information contained elsewhere in this manual, as well as consult with their professional advisors, before deciding whether or not to invest in the Company.

The value of any investment can go down as well as up and shareholders may lose their entire investment in the Company.

No representation is or can be made as to the future performance of the Company and there is no assurance that the Company will realise its aims.

3.2. General, Economic and Political Conditions

The value of the Company's securities is likely to fluctuate depending on various factors including, but not limited to: (a) inflation, (b) interest rates, (c) domestic and international economic growth, (d) changes to taxation legislation, interpretation and policies, (e) legislative change, (f) political stability, (g) disasters, (h) industrial disputes, (i) social unrest, (j) war on a local or global scale, (k) mining industry conditions, (l) stock market conditions in Australia and elsewhere, (m) changes in investor sentiment towards particular market sectors, (n) acts of God, and (o) acts of terrorism.

3.3. COVID-19

The outbreak of the COVID-19 pandemic is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had, and may continue to have, a significant impact on capital markets and share prices. The Company's share price may be adversely affected by the economic uncertainty caused by COVID-19.

Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the company's operations and are likely to be beyond the control of the Company. The Company's ability to freely move people and product internationally may be the subject of delays or cost increases. The effects of COVID-19 on the company's share price

INVESTMENT RISKS

may also impede the Company's ability to raise capital or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

3.4. Liquidity and Realisation Risks

There can be no guarantee that an active market in the Company's shares will develop or that the price of shares will increase. Moreover, there may be relatively few buyers or a relatively high number of sellers of the shares on the ASX at any given time, which may increase not only the volatility of the market price of the shares but also depress the prevailing market price at which shareholders can sell their shares. This may result in shareholders receiving a market price for their shares that is less than the price paid for their shares.

SHAREHOLDER COMMUNICATION POLICY

The Board is to ensure that the shareholders are informed of all major developments affecting the Company. For so long as the law requires, shareholders will be entitled to elect to receive the Company's annual report by email or post, and may also request copies of the Company's half-yearly and quarterly reports.

It is the Company's desire that shareholders receive communications electronically in the interests of the environment and constraining costs. In an endeavour to drive this objective the Company has a policy of providing hard materials at least cost (which will generally involve a black & white presentation even where the electronic version is full colour).

The Company encourages shareholders to attend all general meetings of the Company.

The Company must maintain a website on which the following information is to be available on a regular and up to date basis:

1. Company announcements (for last three years);
2. information briefings to media & analysts (for last three years);
3. notices of meetings and explanatory materials;
4. financial information (for last three years);
5. annual reports (for last three years);
6. its Constitution; and
7. its board charter, nominations committee charter, remuneration committee charter and audit committee charter and corporate governance policies.

CONTINUOUS DISCLOSURE POLICY

The Company's Board is to ensure that the market is properly informed of all information that must be disclosed under the ASX Listing Rules and the Corporations Act.

Every person who is at risk of being involved in the Company contravening its continuous disclosure obligation arising in respect of particular information must ultimately take responsibility for ensuring compliance.

There must at all times be a system in place to collect and process information (**Material Information**) that could conceivably enliven the continuous disclosure obligation. In doubtful cases disclosure should be made immediately.

Where it is determined that information should be conveyed to the ASX it will be the **Disclosure Officer** who will be the point of contact with the ASX. Except in extraordinary circumstances the Company Secretary will be the Disclosure Officer.

The obligation to keep the Disclosure Officer fully informed of any significant internal issue relating to or affecting the Company is central to the training and development of all the Company employees and contractors and consultants.

Every person shall be accountable for ensuring that:

1. all staff reporting them do, as soon as reasonably practicable, report any 'material' event or development within their area of responsibility to their manager and to one or more of the Chair and/or Company Secretary;
2. each department or work area within his or her division or area of responsibility carries out, or is involved in, a review to discuss and agree upon the types of events or developments that are most likely to be 'material' and potentially required to be disclosed, and
3. he or she reports immediately any event or development that he or she believes may potentially be the subject of the continuous disclosure obligation.

An employee of or contractor to the Company must not discuss material information outside the Company unless he/she is required to do so in the discharge of his/her duties.

The Company is to place all relevant announcements and other information, including analysts' briefings, on its website once the information has been given to ASX and the usual acknowledgment has been received that the announcement has been released.

The Company's directors, employees, contractors and consultants are also required to ensure that all Material Information is not released to some shareholders or analysts but not to others.

As a listed company, the Company must not release information that is for release to the market to any person until it has given that information to the ASX and received an acknowledgment from the ASX that it has released the information to the market (Listing rule 15.7).

OH&S POLICY

The health and safety of all personnel operating on the Company's sites is of great importance to the Company.

For the purposes of this policy, '**employee**' includes any consultant or contractor to the Company.

No employee is expected to carry out activities that he or she reasonably considers to be unsafe.

Each employee has a responsibility to work safely and address health and safety concerns as soon as they arise.

The Company's objective is to conduct operations in an efficient way while providing:

1. a safe and healthy workplace;
2. information on the hazards of the workplace and training in how to work safely, and
3. consultation at all staff levels on health and safety matters.

The responsibility for health and safety performance, including training for each employee, rests with the Company's Board and management. The identification of potential health and safety risks will require ongoing review by employees, management and the Board.

CORPORATE ENVIRONMENTAL AND SOCIAL RESPONSIBILITY POLICY

The Company seeks to engage in conscientious activity giving full consideration to the social significance of the Company's presence in the community. The Company seeks to maintain environmentally sound and efficient management practices for its operating, exploration and mining activities. The Company considers corporate environmental and social responsibility a means of contributing to society and the environment through our business.

The Company's objectives are to:

1. comply with the applicable environmental laws, regulations, tenement and permit conditions as a minimum standard for its environmental practices and management procedures;
2. integrate environmental and rehabilitation processes into its exploration, mine planning, mining and metallurgical activities;
3. communicate meaningfully with government bodies, statutory authorities, local communities and environmental management groups to maintain a proactive stance on environmental and community issues;
4. address the concerns of not only economic stakeholders but also social, environmental and other stakeholders;
5. listen to the community, identify social impacts and work with the community to minimize those impacts;
6. facilitate education of employees and contractors in relation to their roles and responsibilities in environmental management with respect to the Company's activities;
7. contribute to the building of thriving communities and respect the culture of our host countries and communities;
8. welcome community participation in our business through employment and consideration of commercially sound business opportunities;
9. undertake planning for the day that the Company leaves the community with a view to ensuring that the transition is positive; and
10. undertake regular monitoring, audit and review of procedures or practices, as appropriate, to reflect the Company's corporate responsibility in environmental and social matters; and
11. provide sufficient resources to achieve the levels of environmental management protection and community building required, including capacity for continuous improvement.

The Board is accountable for ensuring this policy is effectively implemented. Each employee has a responsibility to ensure that these objectives are achieved. For the purposes of this policy, '**employee**' includes any consultant or contractor to the Company.

WHISTLEBLOWER POLICY

1. PREAMBLE

This policy establishes a process through which employees and others, either directly or anonymously, can notify the company secretary or the chairman of concerns pertaining to the Company's compliance with acceptable standards of conduct, absence of honesty or integrity.

Every employee has the responsibility to notify concerns re violations of acceptable standards of conduct, honesty or integrity.

Even the best systems of control and procedures, however, cannot provide absolute safeguards against such violations.

2. REPORTING ALLEGED VIOLATIONS OR CONCERNS

If an employee reasonably believes that any employee of the Company or other person acting on behalf of the Company has violated any legal or regulatory requirements or internal policy relating to accounting standards and disclosures, internal accounting controls, or matters related to the internal or external audit of the Company's financial statements, the employee should immediately report his or her concern to the company secretary or the chairman.

If an employee is not comfortable reporting a concern to either the company secretary or the chairman, he or she should report the concern to any supervisor or member of management whom he or she is comfortable approaching. Any manager or other supervisory employee who receives a report of an alleged violation must immediately forward the report to the company secretary or the chairman. The company secretary or the chairman will communicate all reports of alleged violations to the Board.

Reports of alleged violations may be submitted anonymously. All reports of alleged violations, whether or not they were submitted anonymously, will be kept in strict confidence to the extent possible, consistent with the Company's need to conduct an adequate investigation.

Reports of alleged violations should be candid, factual (rather than speculative) and should contain as much specific detail as possible to allow for proper assessment. The Company may, in its reasonable discretion, determine not to commence an investigation if a complaint contains only unspecified or broad allegations of wrongdoing without appropriate factual support.

3. INVESTIGATION OF COMPLAINTS

Upon receipt of a complaint alleging a violation, the Board, or a designated member of the Board, will make a determination as to whether a reasonable basis exists for commencing an investigation into the conduct alleged in the complaint. If the Board or its designated member concludes that an investigation is warranted, it shall take appropriate measures to implement a thorough investigation of the allegations.

At each meeting of the Board of Directors, the Board will discuss the status of any ongoing investigation and review the resolution of each complaint

WHISTLEBLOWER POLICY

submitted, whether or not the complaint resulted in the commencement of a formal investigation.

4. CORRECTIVE ACTION

The Board is ultimately responsible for determining the validity of each complaint and fashioning, with the input of its advisors and the Company's management, if requested, the appropriate corrective action. The Board shall report any legal or regulatory non-compliance to the Company's management and ensure that management takes corrective action including, where appropriate, reporting any violation to relevant governmental authorities.

Any director, officer, or employee deemed to have violated any law, rule or regulation, or any internal policy regarding accounting standards and disclosures, internal accounting controls, or matters related to the internal or external audit of the Company's financial statements, may be subject to disciplinary action, up to and including termination.

5. NO RETALIATION

Employees should feel confident to report violations as described above or to assist in investigations of such alleged violations. The Company will not tolerate retaliation or discrimination of any kind by or on behalf of the Company and its employees against any employee making a good faith complaint of, or assisting in the investigation of, any violation of government laws, rules, or regulations or any of the Company's policies.

6. COMPLIANCE WITH THIS POLICY

All employees must follow the procedures outlined in this policy and cooperate with any investigation initiated pursuant to this policy. Adhering to this policy is a condition of employment. The Company must have the opportunity to investigate and remedy any alleged violating or employee concerns, and each employee must, to the extent he or she has the capacity to assist, ensure that the Company has an opportunity to undertake such an investigation.

This policy does not constitute a contractual commitment of the Company. This policy should not be construed as preventing, limiting, or delaying the Company from taking disciplinary action against any individual, up to and including termination, in circumstances (such as, but not limited to, those involving problems of performance, conduct, attitude, or demeanour) where the Company deems disciplinary action appropriate.

This policy in no way alters an employee's at-will employment status with the Company. Either the Company or an employee can terminate the employment relationship at the Company at any time, subject to that employee's employment contract and applicable legislation and regulation.

DIVERSITY POLICY

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of our people. Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the Company employs the appropriate person for each job and that each person strives for a high level of performance.

The Company's strategies are to:

1. recruit and manage on the basis of an individual's competence, qualification and performance;
2. create a culture that embraces diversity and that rewards people to act in accordance with this policy;
3. appreciate and respect the unique aspects that individual brings to the workplace;
4. foster an inclusive and supportive culture to enable people to develop to their full potential;
5. identify factors to be taken into account in the employee selection process to ensure we have the right person for the right job;
6. take action to prevent and stop discrimination, bullying and harassment;
7. recognise that employees at all levels of the Company may have domestic responsibilities and as a result, the company aims to adopt flexible working arrangements that will assist employees to meet those responsibilities; and
8. have at least one female appointed to a senior executive role, senior executives including directors, the company secretary and senior management.

The Board is accountable for ensuring this policy is effectively implemented. Each employee has a responsibility to ensure that these objectives are achieved.

ANTI-CORRUPTION AND BRIBERY POLICY

Health House International Limited (the Company) conducts business in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption.

The offering of bribes or any other improper payment or benefit to public officials is a serious criminal offence and can damage the reputation and community standing of the Company.

The Company expects its directors, senior executives, Key Management Personnel, officers and employees (Personnel), along with its distributors and representatives (including agents, consultants and contractors) (together, Business Partners) to maintain the highest standards of integrity and ethical business practice.

Many countries have laws which prohibit benefits being provided to government officials or officers with the purpose of influencing them to carry out their duties in a particular way. The Company is committed to complying with all applicable laws and standards.

Anti-bribery and corruption laws may have extra-territorial reach and many jurisdictions in which the Company operates have equivalent or similar laws, to which all Personnel and Business Partners must comply. In particular, Australian anti-bribery and corruption laws may apply to the conduct of the Company, its Personnel and Business Partners regardless of where it occurs.

This Policy outlines what constitutes a bribe and who is considered to be a public official, along with the process and legal protections that are available when reporting a breach of this Policy and the applicable laws.

Appropriate action will be taken in respect of any Personnel who breach this Policy. Breaches by Business Partners will be dealt with in accordance with the terms of their engagement or appointment.

1. DEFINITIONS

In this Policy, the following definitions apply:

- (a) **Bribe** means money or any other benefit, including but not limited to cash, travel, gifts, entertainment, secret commissions, employment and directed charitable donations which are provided in order to influence a person to improperly exercise their duty. A benefit offered to a public official which is expressly permitted by written foreign law applicable to the official will not be a Bribe.

- (b) **Public Official** includes:
 - (i) any officer or employee of a government or government owned/controlled entity;
 - (ii) a public international organisation;
 - (iii) a department or agency of a government or public international organisation
 - (iv) any person acting in an official capacity for a government or public international organisation; or
 - (v) political parties or candidates.

ANTI-CORRUPTION AND BRIBERY POLICY

- (c) **Facilitation payment** is a payment of a small amount to secure or expedite a routine governmental action to which a company is otherwise lawfully entitled. Examples of such action include, but are not limited to, obtaining permits or licences, processing governmental papers such as visas and providing mail pick up and delivery.
- (d) **Officer** includes a director, senior executive, Key Management Personnel or an employee.

2. CONDUCT

Each Personnel and Business Partner commits **not** to:

- (a) provide, offer or promise, either directly or indirectly, a Bribe to a Public Official or Officer with the intention of obtaining or retaining business or a business advantage;
- (b) provide, offer or promise, either directly or indirectly, a Bribe to any person;
- (c) permit, encourage or facilitate any other person to provide a Bribe to a Public Official or Officer;
- (d) request, receive or agree to receive a Bribe;
- (e) use false or fraudulent documents, including by establishing off-the-book accounts or falsifying accounts or transactions; or
- (f) intentionally and improperly destroy documents or financial records without the prior written consent of the Company.

Australian law permits the making of Facilitation Payments in certain circumstances. Notwithstanding this, our Personnel and Business Partners commit not to provide, offer or promise, directly or indirectly, any Facilitation Payments which amount to a Bribe.

3. GIFTS AND REIMBURSEMENT OF EXPENSES

- (a) Entertainment, corporate hospitality and gifts

The Company acknowledges that entertainment, corporate hospitality, sponsored travel or accommodation and the giving of modest gifts (together, **Gifts**) can, in appropriate circumstances, be legitimate business activities. The framework in this Policy is not intended to prohibit reasonably and proportionate Gifts. It is designed to prevent Gifts where there is an intention to influence, induce or reward improper performance, in which case the Gift will be considered a Bribe.

This Policy applies to any Gifts provided in the course of a Personnel's or Business Partner's activities, including Gifts provided or received by Personnel or as Business Partners.

Personnel and Business Partners may provide Gifts to Public Officials or Officers where:

- (i) there is no intention to influence the recipient or any other Public Official or person to improperly exercise their duty;
- (ii) the Gift complies with local laws;
- (iii) the Gift is occasional, modest and reasonable, having regard to

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- all of the surrounding circumstances, including the average income and standard of living in the recipient's place of residence;
- (iv) the Gift is not extravagant and does not create the appearance of impropriety and bribery;
 - (v) the Gift is of an appropriate type and value and is given at an appropriate time, taking into account the reason for the Gift and the status, rank or position of the intended recipient;
 - (vi) the Gift is not of an explicit or inappropriate nature and does not involve an explicit or inappropriate venue;
 - (vii) the Gift is given openly, not secretly and, if posted, sent to the recipient's company address;
 - (viii) if the Gift involves sponsored travel or accommodation:
 - (A) there is a documented commercial benefit to the Company of sponsoring the travel or accommodation (for example, travel to visit relevant operations);
 - (B) the travel or accommodation is no more than is reasonably necessary to achieve that benefit (for example, travel is limited to relevant decision makers and does not include spouses); and
 - (C) travel or accommodation payments are made by the Company directly to recognised travel providers; and
 - (ix) prior written approval is obtained from the Chief Executive Officer.

When seeking the required written approval, Personnel must provide the following information:

- (i) the name and role of the recipient;
- (ii) a description of the Gift, including dollar value;
- (iii) the name and position of the Personnel or Business Partner providing the Gift;
- (iv) the reason behind the provision of the Gift;
- (v) the date the Gift is to be provided; and
- (vi) any other information reasonably required by the Company.

The receipt or provision of any Gift (or the refusal of any Gift due to it being inappropriate) must be appropriately notified to the Company Secretary and recorded in the Company's Gifts and Hospitality Register.

(b) Political contributions

Personnel must not contribute any funds, assets or anything else belonging to the Company to any political party or organisation. This extends to the granting of contributions to any individual who holds any form of public office, except where such contributions are authorised under this Policy.

(c) Reimbursement of expenses

ANTI-CORRUPTION AND BRIBERY POLICY

Other than expenses which are occasional and of modest value, Personnel and Business Partners must not offer or promise to reimburse or pay expenses incurred by a Public Official or any other person, without the prior written approval of the Chief Executive Officer.

Reimbursement may be approved where:

- (x) there is a legitimate connection between the incurred expenses and the Company's legitimate business interests (i.e. where the expenses are reasonable travel expenses incurred as a result of a person attending the Company's premises or an event hosted by the Company);
- (xi) the reimbursement or payment does not create the appearance of impropriety or bribery; and
- (xii) the reimbursement is provided directly to the government, a government agency or organisation which the Public Official or Officer represents or the payment is made directly to the third party provider of the goods or services.

4. REPORTING BREACHES

The Board self-reports¹ any suspected breaches of this Policy or any other suspicious or corrupt interactions between Public Officials and Personnel and/or Business Partners, such as any express or implied requests for Bribes from Public Officials or other persons, to the Australian Federal Police in order to:

- (b) proactively identify and address wrongdoing within the Company;
- (c) comply with the directors' obligations and duties to act in the best interests of the Company;
- (d) minimise reputational damage; and
- (e) be a good "corporate citizen".

Any internal reporting of a breach or other suspicious or corrupt interactions will be dealt with in accordance with the Company's Whistleblower Policy.

In accordance with the Whistleblower Policy, an Eligible Whistleblower (as defined in the Company's Whistleblower Policy) reporting the breach or inappropriate conduct will be protected from any victimisation or harassment, discrimination, demotion, dismissal or current or future bias as a result of making a report.

In making a report of a breach of this Policy or other inappropriate conduct, an Eligible Whistleblower may choose to remain anonymous or request that their name be kept confidential.

5. REVIEW

The Board will monitor compliance with this Policy. This Policy will be periodically reviewed to ensure it continues to operate effectively for the Company's business operations and will be amended as required.

AUDIT COMMITTEE POLICY CHECKLIST

Annual responsibilities of the committee are as set out in these Audit Committee Action Points.

Audit Committee Action Points

Financial Reporting and Internal Controls

- Review half-year and annual financial statements
- Consider management's selection of accounting policies and principles
- Consider the external annual audit and the half-yearly audit review of the financial statements
- Consider internal controls including the Company's policies and procedures to assess, monitor and manage financial risks (and other business risks if authorised)

Annual meeting with External Auditor

- Discuss the Company's choice of accounting policies and methods, and any recommended changes
- Discuss the adequacy and effectiveness of the Company's internal controls
- Discuss any significant findings and recommendations of the external auditor and management's response thereto
- Discuss any difficulties or disputes with management encountered during the course of the audit including any restrictions or access to required information

External Auditor Engagement

- Establish/review criteria for the selection, appointment and rotation of external auditor
- Recommend to the Board to appoint and replace the external auditor and approve the terms on which the external auditor is engaged
- Establish/review permissible services that the external auditor may perform for the company and pre-approve all audit/non-audit services
- Confirm the independence of the external auditor, including reviewing the external auditor's non-audit services and related fees
- Ensure that the external auditor is requested to attend the AGM of the Company and is available to answer questions from shareholders

Internal Communications and Reporting

- Provide an annual report that includes the committee's review and discussion of matters with management and the external auditor
- Regularly update the Board about committee activities and make appropriate recommendations

AUDIT COMMITTEE POLICY CHECKLIST

- Ensure the Board is fully informed of matters which may significantly impact the financial conditions or affairs of the business

Other

- Verify the membership of the committee is in accordance with the Audit Committee Policy
- Review the independence of each committee member based on ASX Recommendations
- Review and update the Audit Committee Action Points
- Develop and oversee procedures for treating complaints or employee concerns received by the Company regarding accounting, internal accounting controls and auditing matters