

CORPORATE CODE OF CONDUCT

Introduction and Purpose

This Policy establishes the Corporate Code of Conduct for Royalco Resources Ltd.

1. Introduction

This code of conduct sets out the standard which the Board, management and employees of the Company are encouraged to comply with when dealing with each other, shareholders and the broader community.

2. Commitment of the Board and Management to Corporate Code of Conduct

The Board and management approve and endorse this code of conduct and support the code and all it strives to achieve.

3. Responsibilities to Shareholders and the Financial Community Generally

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

4. Responsibilities to Clients, Customers and Consumers

The Company is to comply with all legislative and common law requirements which affect its business. 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. Employment Practices

The Company will employ to vacant positions the best available staff with the skills and experience required to carry out the functions of those positions.

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

6. 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.

7. Responsibility to the Individual

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

8. 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.

9. Conflicts of Interest

The Board, management and employees must not involve themselves in situations where there is a real or apparent conflict of interest between them as individuals and the interests of the Company. Where a real or apparent conflict of interest arises the matter should be brought to the attention of the Executive Chairman in the case of a Board member or a supervisor in the case of an employee, so that it may be considered and dealt with in an appropriate manner for all concerned.

10. Compliance with the Code

Any breach of compliance with this code is to be reported directly to the Executive Chairman.

11. Periodic Review of Code

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