

GOLD SUPPLY CHAIN

Due Diligence Policy and Practises

Adopted by the board on 1 November 2020

Version 1.0

The Merkin Group (and all of its subsidiaries)



1. Purpose

- 1.1 Our supply chain due diligence policy and practices, and our continued commitment, must be and are consistent with the laws rules and framework of
- Australia,
 - The United States of America,
 - OECD Due Diligence Guidance on conflict minerals, as well with
 - the LBMA Responsible Gold Guidance,
 - Free Trade Zones (such as DMCC UAE), and
 - Responsible World Gold Council Standards.
- 1.2 We employ this policy by having implemented a program of strict due diligence to ensure that the gold and metals we source meet the highest human rights, social, and environmental criteria at all stages in the supply chain (mining, processing, etc.).

2. The Merkin Group Commitments

- 2.1 Each director and senior executive must pay regard to the context and content of the related policies of The Group (including all of its related companies and subsidiaries (including but not limited to Merkin Pastoral Holdings Pty Ltd, Merkin Management Pty Ltd, Merkin Advisory Pty Ltd, Isbister & Co Pty Ltd, Isbister & Co Wholesale Pty Ltd, Gerkin Pty Ltd, Downtown Beverage Co Pty Ltd, Mako Agencies Pty Ltd, High Street Hero, and Sportspower-Geelong) being specifically
- (a) Anti Bribery & Corruption Policy (including especially KYC AML CTF and anti fraud procedures and guidelines);
 - (b) Code of Conduct;
 - (c) Whistle Blowing Policy;
 - (d) The below mentioned commitments in 2.2; and
 - (e) Gold Specific OECD Compliance / US Dodd- Frank Act / FATF AML Policies mentioned in 3.1 below.

And more generally to

- (f) Privacy Policy;
- (g) Personal Information Policy;
- (h) General Policies and procedures;and

(i) This Policy

2.2 The Merkin Group Commits to:

- Basic human rights are being respected by all parties involved in the mining, processing, and exporting of the metal. We will not tolerate any kind of inhuman treatment, forced or compulsory labor, child labor, human rights violations, and abuses.
- Workers' rights and labor standards are being respected by all parties involved in mining, processing, and exporting of the metal.
- Not engaging and to immediately discontinue engagement with customers or suppliers where we identify a reasonable risk that they are committing, or are sourcing from or linked to any party committing any abuses described above or any other illegal party.
- Procure only conflict free metals which do not facilitate the funding of any kind of armed conflicts.
- Procure metals only from countries NOT prohibited by the laws of the United States of America and OECD.
- Not offering, promising, giving or demanding bribes or kickbacks in any form to individuals, including government officials, customers, contractors and suppliers or any other organization.
- Not misrepresenting taxes, fees and royalties paid to governments for the purposes of extraction, trade, handling, transport, and export of precious metals.
- Likewise we will not conceal the origin of precious metals.
- Supporting efforts and contribute to avoid and disclose money-laundering and financing of terrorism where we identify a reasonable risk of money-laundering and financing of terrorism resulting from, or connected to, the supply and distribution chain of precious metals.
- Procure metals that are mined and produced without endangering the safety and health of people or damaging the environment.
- Request that the metals have not been sourced from operations that will result in toxic chemical contamination into soil, surface water, groundwater, or the environment.

3. Procedures specific to Gold - OECD Compliance and FATF / AML Compliance

3.1 The Merkin Group commits to an additional KYC procedure specific to gold by obtaining and in turn providing the following declaration

OECD Compliance / US Dodd-Frank Act Declaration

Detailed Information Available at OECD: <http://www.oecd.org/corporate/mne/mining.htm>

I/We swear, the information given above and below is both true and accurate.

I/We am/are the Signatory(s) of the aforementioned, Lawfully Registered Company and Signatory(s) to the nominated bank account for payment.

All monies, assets, gold, gemstones, or any mineral products sold in any transaction(s), are sourced and all monies received, are used for legal and legitimate purposes.

All business activities are of non-criminal origin, clear of all liens and encumbrances, exportable to any country, and the buyer receives legal clear title.

The origin of the product is in full compliance with all Anti-Money-Laundering Policies as set forth by the Financial Action Task Force (FATF) 6/01.

All funds received as proceeds of sale, are not, and will not, fund any unlawful business, illegal practices, finance wars, or finance known rebel or terrorist organizations.

All products mentioned for sale are not sourced from any US, UK, or UN Sanctioned regions or countries.

By signature and acknowledgement below, I/We certify all goods sold to MERKIN ADVISORY PTY LTD /the Refiners used by MERKIN ADVISORY PTY LTD, are OECD Compliant.

[Signature]
[Name]
[Passport No]
[Title]
[Entity]

4. Compliance with the law and this Code

Each director and senior executive:

- (a) shall comply with the spirit, as well as the letter, of all laws and with this Code of Practise, policies, procedures and protocols contained herein ; and
- (b) shall report to the Responsible Manager copying the Chairman of The Merkin Group (contact details for both which may be found at www.merkin.com.au) any matters which he or she believes, in good faith, to constitute non compliance, fraud, corruption, misconduct or other unethical conduct.

5. Amendments

This Policy may only be amended with the approval of the Board of Merkin Pastoral Holdings Pty Ltd or one of its duly constituted Committees subsequently chartered with this responsibility by way of a resolution of the Board

6. Adoption

6.1 This Policy was approved and adopted by the Board on 1 November 2020

Sean Rothsey

Chairman

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