

INTRODUCTION

Challenger Exploration Limited (**The Company or The Group**) is committed to be a good corporate citizen operating with honesty, integrity and in a professional and respectful manner at all times in accordance with applicable laws.

This Code of Conduct and Ethics (**Code**) sets out the standard that the Board of Directors of the Company (**Board**) seeks from its employees, managers, directors, consultants, contractors and advisors engaged in the activities and operations of the Company (**Representatives**).

OBJECTIVE

The purpose of this Corporate Code of Conduct is to provide a framework for decisions and actions in relation to ethical conduct. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders. The document sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from representatives.

SCOPE

This Code applies to all Representatives.

STANDARDS OF BEHAVIOUR

ACTING IN THE BEST INTERESTS OF THE COMPANY

Representatives must, in any dealings on behalf of the Company, act in the best interests of the Company.

ACTING WITH HONESTY AND INTEGRITY

Representatives must, in any dealings on behalf of the Company, act with honesty and integrity.

ACTING WITH PROFESSIONALISM

Representatives must:

- a) use any powers from position within the Company for proper purposes;
- b) not take improper advantage of position within the Company;
- c) not engage in any conduct which will, or is likely to, bring discredit upon the Company;
- d) use independent judgment;
- e) be committed to equality and equal opportunity in employment acting with no unlawful discrimination;
- f) strive for a safe and efficient workplace;
- g) take reasonable steps to be satisfied as to the soundness of any decision taken; and
- h) respect the needs, expectations and privacy of all customers, suppliers, shareholders, financial institutions and any other third party whom the Company has dealings with.

ABIDING AND RESPECTING APPLICABLE LAWS

The Company seeks to maintain an approach that preserves the integrity of any laws or regulations under which it operates. Representatives must accept and comply with all applicable laws and regulations and within the

spirit of those applicable laws.

RESPECTING CONFIDENTIALITY

Representatives must:

- a) ensure that confidential information (including personal information) contained in records of the Company or acquired in any dealings on behalf of the Company (Confidential Information) are maintained as confidential;
- b) not disclose any Confidential Information to a third party; and
- c) not use the Confidential Information for any purpose not authorised by the Company.

RESPECTING OTHERS

Representatives must embrace diversity which is enriched by openness, sharing, teamwork and mutual trust. The Company will not tolerate any form of harassment and will consider any harassment as serious misconduct.

AVOIDING CONFLICTS OF INTEREST

A Representative:

- a) will not place himself/herself in situations where that Representative's private interests could conflict directly or indirectly with that Representative's obligations to the Company; and
- b) has a duty to disclose to the Company any personal interest that Representative may have in a project, a third party or any other matter where the Representative is involved in the assessment, negotiations or other activity relating to that matter.

A Representative being a member of management of the Company will not accept any directorship or appointment with any third party without the consent of the Board.

STRIVING TO BE GOOD CORPORATE CITIZEN

The Company strives to be a good corporate citizen by acting responsibly on matters such as sustainable development, health, safety, environmental and community affairs in conducting its operations and activities.

WORK ENVIRONMENT

HEALTH & SAFETY

Occupational health and safety is of paramount importance to the Company. The Company seeks to ensure a safe working environment at all times and that the occurrence of workplace incidents is minimised. Achieving this goal is the responsibility of all Representatives and at all times Representatives must comply with the Company's operating standards, procedures and legal requirements, including the use of protective equipment as stipulated. In order to prevent accidents and to ensure a healthy and safe work environment at its operations, systematic actions for control, monitoring and prevention of workplace incidents and for the identification of risks to health and safety are in place.

ALCOHOL AND DRUG USE

The Company seeks to ensure the safety of Representatives is not compromised by the effects of alcohol and illegal drug consumption. All line managers employed or engaged have a responsibility to identify risk situations

and guide a Representative affected by drugs or alcohol to seek appropriate referrals to medical and social experts. It is forbidden to consume or use alcoholic or drugs at any of the Company's site operations.

ENVIRONMENT

The Company is committed to the preservation and restoration of the environment. The Company invests in technology, training of Representatives and external third parties to continually improve the Company's environmental performance and to minimise environmental impact in line with requirements of governmental agencies and legislation.

COMMUNITY, POLITICAL AND SOCIAL MEDIA ENGAGEMENT

COMMUNITY AND POLITICAL ENGAGEMENT

As a good corporate citizen, the Company encourages:

- a) the participation of all Representatives in social and cultural projects; and
- b) activities that promote a sense of citizenship and enhance socio-economic development, provided they are conducted in a legal manner and do not interfere with the employee's responsibilities.

The Company may only sponsor an event or project which generates benefits for both the community and Representatives and must ensure that any sponsorship is undertaken in a transparent manner. Representatives must not pay, promise or offer any sponsorship or donation on behalf of the Company without prior approval of the Managing Director.

INTERNET AND SOCIAL MEDIA

Use of the Company's information systems by Representatives is solely for the purpose of the Representative performing his/her role at the Company. In allowing access to the Company's internet and information systems, the Company seeks to ensure that a professional image is maintained and that privacy and confidentiality is respected.

All Representatives must:

- a) use the Company's email facilities for business purposes only;
- b) comply with the Company's ethical behavioural standards;
- c) avoid making any defamatory comments or attaching images or files which may be offensive or discriminatory; and
- d) not access websites which do not relate to the performance of business activities for the Company.

The Company may, without notice, block and/or monitor email or internet use by its Representatives who are using email or the internet inappropriately.

Representatives must not make official comment on matters relating to the Company unless they are:

- (i) authorised to do so by the Managing Director; or
- (ii) giving evidence in court; or
- (iii) otherwise authorised or required to by law.

Representatives must not release unpublished or privileged information unless they have the authority to do so from the Managing Director.

FINANCIAL INFORMATION AND INTEGRITY

The Company is committed to maintaining accurate, true and complete financial records which accord with the applicable accounting standards. A system of internal controls and financial reporting processes are in place which underpin the Company's financial disclosures. All Representatives must comply with the Company's accounting procedures and co-operate with the Company's accounting department, independent auditors and legal advisors to ensure reports and disclosures are developed appropriately.

A Representative who receives a complaint from external third parties about the Company's accounting practices must raise the complaint with the Chief Financial Officer or equivalent.

COMPANY PROPERTY AND INFORMATION

All present and future rights to intellectual property including, without limitation, any inventions and improvements, trade marks (whether registered or common law trade marks), designs, copyright, any corresponding property rights under the laws of any jurisdiction and any rights in respect of an invention, discovery, trade secret, secret process, know how, concept, idea, information, process, data or formula created or developed while a Representative is employed or engaged by the Company is owned by the Group. All Representatives must do all things necessary to ensure that the Company owns Intellectual Property that is created or contributed in the course of his/her employment.

The company respects the rights of industrial and intellectual property on products, processes, brands, patents and similar rights in all phases of the development process and registration. Representatives and suppliers must abstain from any type of embezzlement of researches, studies, texts, publications, information and computer programs.

BRIBERY AND CORRUPTION

The Group prohibits bribery and corruption in any form. Representatives must not, under any circumstance, accept and/or offer payments, services or benefits with the aim of incorrectly influencing unjustified advantages (financial or otherwise) to him/herself, the Company or to anyone associated with the Company.

Offering or giving bribes and other corrupt payments or benefits to private individuals or government officials is not only a breach of this Code but is a criminal offence in many jurisdictions including Australia, Argentina and Ecuador.

GIFTS AND GRATITUDES

A Representative must not give, offer, promise or receive any gifts or entertainment in connection with the Company's operations which exceed those typically provided in a commercial setting.

DISCRIMINATION AND HARASSMENT

Representatives must not harass, discriminate, or support others who harass and discriminate against

colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender.

Such harassment or discrimination may constitute an offence under legislation. Managers should understand and apply the principles of Equal Employment Opportunity.

BREACHES

A Representative who is found to have breached this Code will face disciplinary action in accordance with the terms of the Representative's employment or engagement as applicable which may include dismissal or termination as applicable.

REPORTING MATTERS OF CONCERN

Representatives are encouraged to raise any matters of concern in good faith with the head of their business unit or with the Company Secretary, without fear of retribution.