



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) POLICY

ESG POLICY

1. OUR PHILOSOPHY

The Circum Minerals Ltd Group (Circum) recognises that a broad range of both financial as well as environmental, social and governance (ESG) factors can affect the sustainability of a business and the creation of shareholder value. Circum will endeavour to identify and focus on issues that either are, or could become, material to corporate performance.

Circum has adopted the ESG Policy of AMED¹ which draws from the best international practices. The Group incorporates ESG issues into decision-making processes as well as its ownership policies and practices.

As part of Circum's commitment to follow a responsible approach to ESG issues, all Circum Group Companies, current and future, are also expected to adhere to the principles of this Policy.

Circum aims to conduct its business openly and with honesty and integrity, and strives to promote an organisational culture that endorses ethical conduct, conforms to best practices and treats all Circum's employees, suppliers, service providers and the community with respect and takes into consideration their interests when doing business. The Group does not tolerate bribery or corruption in relation to its business, anywhere or in any form and will comply with anti-bribery and anti-corruption laws in the countries in which it operates. As such, this Policy is consistent with recent changes to legislation and, in particular, the UK Bribery Act.

Circum is committed to complying with all laws and other initiatives. The compliance with this Policy by all Employees of the Group is mandatory and non-compliance may lead to disciplinary action, up to and including dismissal, and may be subject to personal civil or criminal sanctions.

¹ All capitalized terms used herein are defined in the Glossary at the end of this document.

2. KEY ESG PRINCIPLES AND GUIDELINES

Circum and all of its Employees shall adhere to the following key ESG Principles and Guidelines that form the subject of this Policy:

Governance	Human Rights	Environment	Labour	Bribery & Corruption	Stakeholder Relationships
Board diversity	Support and respect the protection of internationally proclaimed human rights	Understand any significant environmental challenges facing the business directly or indirectly	The elimination of all forms of forced and compulsory labour	Work against corruption in all its forms, including extortion and bribery	Consider stakeholder relationships including Employees, suppliers, customers, majority and minority shareholders and regulators
Board-level responsibility for significant ESG issues, including but not limited to: promoting acceptance and implementation of the ESG Principles, working together to enhance effectiveness in implementing the ESG Principles, reporting on activities and progress towards implementing the ESG Principles.	Make sure that they are not complicit in human rights abuses	Support a precautionary approach to manage and mitigate environmental challenges	Focus on health and safety management systems and performance, particularly in high-risk sectors and with business associates and contractors	For companies in extractive industries (such as oil, gas and minerals), support and actively participate in the Extractive Industries Transparency Initiative	Encourage positive relationships with local communities. For mining companies, fair land acquisition, local supply contracts and employment and training for local people can be pre-requisites to obtaining a license to operate.
Appropriate systems for assessment of risks and opportunities		Consider specific environmental issues including: pollution impacts and liabilities, climate change, water and waste management issues, resource consumption, impacts on biodiversity	Identify and manage labour challenges presented in country-specific operating environments	Support employees in appropriate ethical conduct through training and reporting procedures such as whistle-blower hotlines	
Formal policies and systems for implementation and subsequent monitoring of effectiveness		Reduce direct and indirect greenhouse gas emissions and integrate climate change policies into business strategies	The effective abolition of child labour	Enforce robust governance and internal control systems taking account of the UK Bribery Act and the UN Guiding Principles for Business and Human Rights	
Dialogues with stakeholders and disclosure of the above in publicly available reports		Undertake initiatives to promote environmental responsibility	The elimination of discrimination in employment and occupation		
Incorporation of relevant ESG issues into long-term executive compensation		Encourage the development and diffusion of environmentally friendly technologies	Uphold the freedom of association and the effective recognition of the right to collective bargaining		
Appropriate relationships with regulators			Manage Employee skills base		
Consideration of minority shareholders					

3. COMPLIANCE AND ENFORCEMENT

Circum hereby adopts and undertakes to comply with the Policy. It furthermore undertakes to use its best endeavours to ensure that all current and future Circum Entities adopt and comply with the Policy.

The Board of Directors of Circum is responsible for the compliance of the Group with this Policy. In this task, the Board has delegated certain responsibilities to the senior management of each Group Entity. The Chief Operating Officer (COO) has overall management responsibility for ensuring that the Company complies with this Policy and associated laws.

The Board of Directors of Circum approved and formally adopted the ESG Policy by means of a resolution of the Board on 27th August 2014. The Company acknowledges that Circum is subject to the principles of the PRI and Global Compact and adheres to the spirit of those initiatives and the provisions of the UK Bribery Act, as encapsulated in this Policy, as if it were an official signatory.

Circum has appointed Ian Burns as the first Compliance Officer, who will have the primary responsibility for establishing and maintaining internal control. The Compliance Officer will ensure that all Employees under his/her supervision are aware of all relevant legislation, conditions of service, policies and procedures and that they are expected to abide by them. The Compliance Officer will communicate the existence of the ESG Policy and ensure that he provides an appropriate copy thereof to all Employees. The Board of Directors acknowledges that in some cases a simplification of the Policy, as well as translations thereof will be most appropriate for distribution. The Policy will continuously be available from the Compliance Officer and Circum's Website. Circum will review the Policy from time to time and all Employees will be notified of any updates to the Policy.

The approval framework, delegation of authority and internal guidelines of the Group will establish responsibility for compliance at every level of the Company. In particular, internal control processes will be used to ensure compliance at various levels of the Company.

The COO shall ensure that Monthly Operational Reports to the Board, include a statement regarding whether there have been any ESG issues. If there has been an incident, he must provide a basic description thereof and send an extensive report under separate cover to the Board.

The Compliance Officer shall ensure that the Entity is prepared for the External Audit at the end of each financial year. The External Audit is responsible for assisting senior management in the assessment of the compliance with the Policy and examining and evaluating the adequacy and effectiveness of the system of internal control.

In preparation and compliance with such an External Audit, the Compliance Officer shall bi-annually verify in writing to the Board whether there have been any incidents in the previous 6 months. If there has been an incident, he/she must provide a basic description thereof.

4. PREVENTION, DETECTION AND REPORTING INVESTIGATION

4.1 PREVENTION

Employees of the Group are expected to act honestly and diligently, and follow all Circum's and each individual Entity's policies and procedures when performing their duties. Employees should report identified weaknesses or loopholes in controls of the Key ESG Principles and Guidelines stipulated in clause 2.

Employees must immediately report any incident of non-compliance with this Policy, whether it is suspected or actual, either to their direct manager or to the Branch Manager, who in turn will raise it with the Compliance Officer. Reports may also be made directly to the Compliance Officer.

Complaints will be treated with the highest confidentiality. Any Employee who reports suspected non-compliance with this Policy will be protected from any adverse reaction to the report, provided that the report is made in good faith and is not malicious.

4.2 RAISING CONCERNS

4.2.1 Circum is committed to open communication and this Policy aims to provide an avenue for Employees to raise concerns and reassurance that they will be protected from reprisals or victimization for reporting on related issues or "whistleblowing".

4.2.2 Harassment and victimisation for reporting concerns under this Policy will not be tolerated.

4.2.3 Every effort will be made to treat the complainant's identity with appropriate regard for confidentiality.

4.2.4 This Policy encourages Employees to put their names to allegations because appropriate follow-up questions and investigations may not be possible unless the source of the information is identified. Concerns expressed anonymously will be explored appropriately, but consideration will be given to:

4.2.4.1 The seriousness of the issue raised;

4.2.4.2 The credibility of the concern;

4.2.4.3 The likelihood of confirming the allegation from attributable sources.

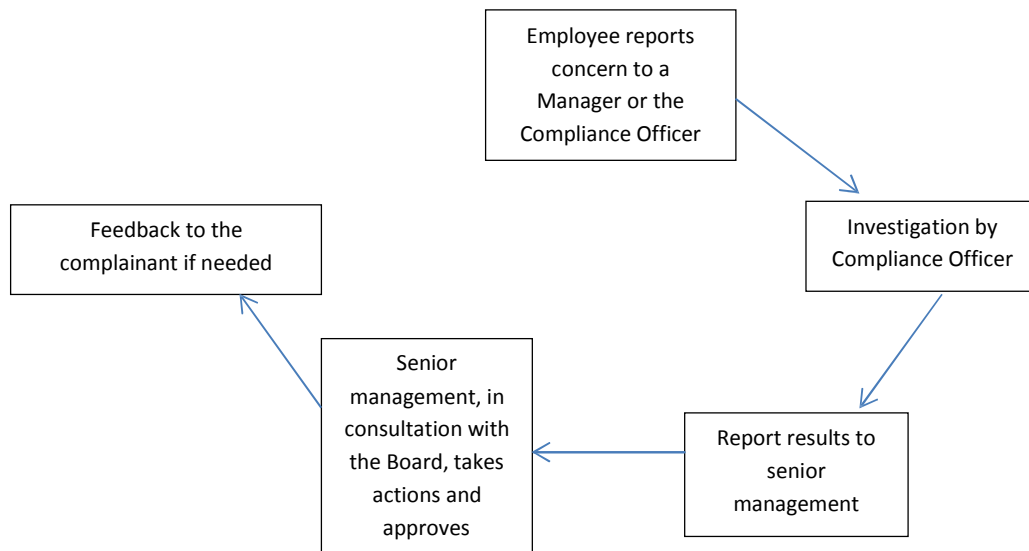
4.2.5 Concerns about any irregularity, be it financial or otherwise, can be raised in a number of ways. These include:

4.2.5.1 Raising the incident case with your direct manager; or if appropriate with the Branch Manager.

4.2.5.2 Contacting the Compliance Officer.

4.2.6 Allegations in bad faith may result in disciplinary action.

4.2.7 How to lodge a complaint:



4.2.8 In the event that a complainant is of the opinion that despite having raised the issue with the Compliance Officer his/her complaint is not being taken seriously he/she may alert senior management or the COO directly. If no action is taken by senior management or the COO, the Employee may alert the Board. If in the opinion of the complainant, the Board disregards the complaint he/she may contact the Auditors.

5. POLICY REVIEW

5.1 Circum will ensure that the procedures and policies are monitored and reviewed independently and externally by the Auditors.

5.2 Circum will review this Policy at least annually from the date of adoption or at such time as the Board sees fit to revise its ESG policies and procedures.

6. CONTACT

All documentation to be provided to Circum in accordance with this Policy and/or any comments, suggestions and queries regarding this Policy should be provided to Circum via the following email address: esg@circumminerals.com

GLOSSARY

In this Policy, unless the context clearly indicates a contrary intention, the following words shall have the following meanings:

"AMED"	African Minerals Exploration Development
"Adoption Date"	date on which the ESG Policy was first adopted by the Board of Directors, which was 27 th August 2014;
"Circum"	Circum Minerals Limited and all subsidiary companies
"Circum's Website"	www.circumminerals.com
"Auditors"	the independent ESG auditors appointed by Circum;
"Board"	the Board of Directors of Circum;
"Compliance Officer"	currently Ian Burns or any successor appointed by the Board
"Employee" or "Employees"	a director, officer, employee or consultant of the Group, present and future, as determined from time to time by the Board;
"External Audit"	an independent, objective assurance and consulting activity designed and conducted by the Auditors to add value and improve Circum. By conducting an External Audit the Auditors will measure and verify compliance with the Companies policies and procedures.
"Global Compact"	United Nations Global Compact, also known as Compact or UNGC. This is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labour, the environment and anti-corruption. Under the Global Compact, companies are brought together with UN agencies, labour groups and civil society.

Refer to the following website for further information:
<http://www.unglobalcompact.org>.

“Key ESG Principles and Guidelines”

the key ESG principles and guidelines, set out in clause 2 of this Policy, which were drawn from the best international practices and should be adhered to by all Employees;

“Monthly Operational Reports”

the monthly operational reports to be submitted to the Board;

“Policy”

this document, named the Environmental, Social and Governance Policy, which defines the scope or spheres within which decisions can be taken by the Employees in the Group. It contains the guidelines developed by Circum to govern the Group Employees’ actions and defines the limits within which decisions must be made relating to ESG issues;

“PRI”

is the Principles for Responsible Investment, a United Nations-backed initiative and is a set of aspirational and voluntary guidelines for investment entities wishing to address ESG issues.

Entities can refer to the following website for further information: www.unpri.org.

“UK Bribery Act”

the UK Bribery Act, 2010.

Refer to the following website for further information:

<http://www.justice.gov.uk/guidance/docs/bribery-act-2010-guidance.pdf>