

XS Resources Limited

ACN 624 766 114

Social Media Policy

April 2018

1 Introduction

- 1.1 XS has the following Social Media Policy to regulate the use of social media by XS Personnel and people associated with XS.
- 1.2 By complying with this Policy, XS and its Personnel, will ensure that trading in XS's securities takes place in a market which is orderly and informed and is not, or is not likely to be, false.
- 1.3 To preserve the reputation and integrity of XS, this Policy will apply to wide range of technologies commonly referred to as 'social media' which fundamentally are no different to other forms of communication, but do represent a risk as well as an opportunity because they can connect large numbers of people with relative ease. The rationale with this Policy is to manage the risks associated with the use of technology platforms and tools of this nature.
- 1.4 This Policy applies to all XS Personnel.
- 1.5 This Policy should be read in conjunction with the Company's Continuous Disclosure and Market Communications Policy.

2. Explanation of Terms

- 2.1 In this Policy:

ASX means Australian Securities Exchange;

Board means the board of directors of XS;

CFO means the chief financial officer, or equivalent, of XS;

Company Secretary means the company secretary of XS;

Director means a director of XS;

Executive means the employees of the XS who manage XS pursuant to the directions and delegations of the Board;

Group means XS and its controlled entities;

MD means the Managing Director or Chief Executive Officer (or equivalent);

Personnel means XS's directors, executive, employees and contractors;

Policy means this Social Media Policy; and

Social media means online social networking and web technologies, services and tools used for publishing, sharing and discussing information, including without limitation: blogs or web logs, electronic forms or message boards, micro-blogs, photo and video sharing sites, social bookmarking sites, social networking sites, virtual worlds and wikis and any other electronic media that allow individual users to upload and share content regardless of format; and

XS means XS Resources Limited.

3. Scope of Policy

- 3.1 This Policy outlines requirements for compliance with confidentiality, governance, legal, privacy and regulatory parameters when using social media to conduct XS business.
- 3.2 This Policy is intended to apply to both XS and Group entities. References to XS in this Policy should be read as referring to the Group, as appropriate.
- 3.3 This Policy aims to:
- inform appropriate use of social media tools for XS;
 - promote useful market engagement through the use of social media;
 - minimise problematic communications; and
 - manage the inherent challenges of speed and immediacy.
- 3.4 This Policy should be read in conjunction with other relevant policies and procedures of XS and is not intended to cover personal use of social media where the author publishes information in their personal capacity and not on behalf of, or in association with XS and no reference is made to XS, its directors, employees, policies and products, suppliers, shareholders, other stakeholders or XS related issues. Notwithstanding, XS Personnel should act responsibly, with decorum and within socially accepted guidelines as to taste and decency when publishing information in their personal capacity as failure to do so may lead to reputational damage for themselves and by extension XS.

4. Legislative & Policy Framework

- 4.1 Personnel are expected to demonstrate standards of conduct and behaviour that are consistent with relevant legislation, regulations and policies, including the following non-exhaustive list:
- Corporations Act;
 - ASX Listing and Operating Rules;
 - XS's employment contracts; and
 - XS's Share Trading Policy.

5. Policy Requirements

- 5.1 When using social media, Personnel are expected to:
- (a) adhere to XS policies and procedures;
 - (b) behave with caution, courtesy, honesty and respect;
 - (c) comply with relevant laws and regulations;
 - (d) only disclose information that has already been released to the market;
and
 - (e) reinforce the integrity, reputation and values XS seeks to foster.

5.2 The following content is not permitted under any circumstances:

- (a) information which is material price sensitive and has not yet been released to the market;
- (b) abusive, profane or language of a sexual nature;
- (c) content not relating to the subject matter of that blog, board, forum or site;
- (d) content which is false or misleading;
- (e) confidential information about XS or third parties;
- (f) copyright or trade mark protected materials;
- (g) discriminatory material in relation to a person or group based on age, colour, creed, disability, family status, gender, nationality, marital status, parental status, political opinion or affiliation, pregnancy or potential pregnancy, race or social origin, religious beliefs or activity, responsibilities, sex or sexual orientation;
- (h) illegal material or materials designed to encourage law breaking;
- (i) materials that could compromise the safety of any person;
- (j) materials which would breach applicable laws (Corporations Act and regulations, ASX Listing and Operating Rules, defamation, privacy, consumer and competition law, fair use, copyright, trade marks);
- (k) material that would offend contemporary standards of taste and decency;
- (l) material which would bring XS into disrepute;
- (m) personal details of XS directors, employees or third parties;
- (n) spam, meaning the distribution of unsolicited bulk electronic messages; and
- (o) statements which may be considered to be bullying or harassment.

If you have any doubt about applying the provisions of this policy, the Company Secretary is the correct person to check with prior to using social media to communicate on behalf of XS. Depending upon the nature of the issue and potential risk, it may also be appropriate to consider seeking legal advice prior to publication.

6. Policy Principles and Practices

Media Statements

- 6.1 Media statements or announcements cannot be made through social media channels unless first released to ASX.

Expertise

- 6.2 Personnel should not comment outside his or her area of expertise.

Confidential Information

- 6.3 Personnel may only discuss publicly available information. Personnel must not disclose confidential information, internal discussions or decisions of the board, employees, consultants or other third parties.

Accuracy

- 6.4 Information published should be accurate, constructive, helpful and informative. Personnel must correct any errors as soon as practicable and not publish information or make statements which are known to be false or may reasonably be taken to be misleading or deceptive.

Identity

- 6.5 Personnel must be clear about their professional identity, or any vested interests and must not use fictitious names or identities that deliberately intend to deceive, mislead or lie or participate in social media anonymously or covertly or via a third party or agency.

Personal Opinions

- 6.6 Personnel should not express or publish a personal opinion on XS generally or about XS business via social media and should be mindful of market disclosure rules when discussing or commenting on XS matters. Generally, Personnel should not express personal opinions on XS decisions or business nor be critical of XS and its personnel. If it is not possible to separate official XS positions from personal opinions, Personnel should consider using a formal disclaimer to separate interests.

Privacy

- 6.7 Personnel should be sensitive to the privacy of others. However, XS is not required to seek permission from anyone who appears in any photographs, video or other footage before sharing these via any form of social media if it is the copyright owner of the relevant image or footage.

Intellectual Property

- 6.8 Personnel will use XS's own intellectual property where possible and shall obtain prior consent where XS is not the creator or copyright owner, to use or reproduce copyright material including applications, sound recordings (speeches, music), footage (cinematographic vision), graphics (graphs, charts, logos, clip-art), images, artwork, photographs, publications or musical notation. Personnel will also typically seek permission before publishing or uploading the intellectual property of a third party or before linking to another site or social media application.

Defamation

- 6.9 Personnel will not comment, contribute, create, forward, post, upload or share content that is scurrilous, malicious or defamatory.

Respect

- 6.10 Personnel will endeavour to be courteous, patient and respectful of the opinions of others, including detractors and the discourteous.

Discrimination

- 6.11 Personnel will be conscious of anti-discrimination laws and must not publish statements or information which may be discriminatory in a human rights sense.

Language

- 6.12 Personnel will remain mindful of language and expression and not lapse into excessive use of colloquialisms, having regard to an international audience.

State of Mind

- 6.13 Personnel should not use social media when irritated, upset or tired.

Personal Privacy

- 6.14 Personnel should protect their personal privacy and guard against identity theft.

Modification and moderation

- 6.15 Personnel should ensure that any social media sites created or contributed to can be readily edited, improved or removed and appropriately moderated.

Responsiveness

- 6.16 XS will endeavour to specify the type of comments and feedback that will receive a response and clearly communicate a target response time. Personnel are required to make it easy for audiences to reach XS and/or its subsidiaries by publishing appropriate company telephone numbers, generic emails, LinkedIn, Twitter and Facebook accounts.

Monitoring

- 6.17 XS reserves the right, for legal compliance purposes, to monitor social media usage on its systems without advance notice and consistent with any applicable state, federal or international laws. XS may be legally required to produce logs, diaries and archives of social media use to judicial, law enforcement and regulatory agencies and will comply with any relevant requests. Personnel and other users should govern themselves accordingly.

If Uncertain

- 6.18 Personnel should seek advice from the Managing Director or Company Secretary on using social media or if unsure about applying the provisions of this Policy.

7. More Information

- 7.1 Any XS employee who has queries about this Policy should contact the Company Secretary.

8. Consequences of a Breach of this Policy

- 8.1 Personnel employees breaching this policy may be the subject of disciplinary action, performance management or review. Serious breaches may result in suspension or termination of employment or association. XS reserves the right to remove, or instruct to remove, where possible, content that violates this Policy or any associated policies.
- 8.2 The requirements imposed by this Policy are separate from, and additional to, the legal prohibitions in the Corporations Act. Directors, officers, consultants and employees should be aware that they can be charged with criminal offences under the rules and regulations associated with the prevention of market manipulation, false trading, market rigging and misleading and deceptive conduct, all of which apply at law regardless of this Policy.
- 8.3 A breach of this Policy may lead to disciplinary action, which may include termination of employment or engagement.

9. Policy Review

- 9.1 This Policy is to be reviewed by the Board on a periodic basis.