

CLONCURRY METALS LIMITED

A.C.N. 122 162 396 ("the Company")

BOARD POLICY No. 5

WHISTLEBLOWERS

1. PURPOSE

- 1.1 The Board of Cloncurry Metals Limited ("the Company") believes that creating a culture of compliance is one of the Board's paramount concerns.
- 1.2 The purpose of this Board Policy is to provide guidance on the manner in which the Board of the Company ("the Board") proposes to meet the highest standards in this area of compliance with all applicable laws and regulations, accounting standards, controls and audit practices.
- 1.3 Securities regulators require the Audit Committee of public companies to establish certain procedures to address any complaints concerning accounting practices, internal controls or auditing matters. These procedures must include a mechanism for employees to submit any such concerns including suspected violations of the Company's code of business conduct and ethics or any applicable governmental laws, rules or regulations on a confidential and anonymous basis.
- 1.3 This Board Policy will be regularly reviewed and may be amended by the Board at its discretion at any time so as to continue to be aligned with the broad objectives of the Company and its subsidiaries.

2. POLICY

- 2.1 Employees are encouraged to discuss their concerns with their supervisor or other appropriate management representative. Reporting concerns to management is the preferred way of directly addressing any issues and is the best way to ensure an open working environment in our Company. However, the Company recognises that there could be occasions when a concern is so sensitive that an employee may not feel at ease going directly to management or may be more comfortable raising concerns in a confidential manner. If such an instance arises, an employee may contact the Chairperson of the Audit Committee of the Board of Directors. This contact can be made openly or anonymously at the employee's discretion. The Chairperson of the Audit Committee is currently Michael Arnett who may be contacted in the following manner:

Mobile: +61 (0)414 237 038

Email: michael.arnett@deacons.com.au

3. HANDLING OF COMPLAINTS

- 3.1 Any report of complaints regarding accounting, internal accounting controls or auditing matters that is made directly to management will be promptly reported to the Chairperson of the Audit Committee.

Each complaint will be treated seriously and will be investigated if it is believed the complaint is credible, made in good faith and if any alleged wrongdoing is of a serious nature. Employees are encouraged to identify themselves in order to facilitate proper follow-up.

Follow-up would include:

- (1) Acknowledgment that the complaint was received; and
- (2) An indication of how the matter will be dealt with and within what timeframe

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4. NO RETALIATION

- 4.1 The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against anyone as a result of their reporting, in good faith, a suspected violation or participating in a complaint investigation effort. Every effort will be made to keep the identity of the person making the complaint confidential. Similarly, malicious allegations will not be tolerated and may result in disciplinary action.

Approved by the Board on 2nd April 2010

Signed for an on behalf of the Board of Cloncurry Metals Limited

Mr Stephen Craig Everett
Chairman