



WHISTLE BLOWER POLICY

11.1 INTRODUCTION

Heron is committed to maintaining full compliance with all applicable laws, rules and regulations, corporate reporting and disclosure, accounting practices, accounting controls, auditing practices and other matters relating to fraud against shareholders (collectively Accounting Concerns) and preventing conduct that falls below the highest standards of business conduct and ethics (Unacceptable Conduct).

11.1.1 DEFINITION

Accounting Concerns and Unacceptable Conduct are intended to have broad and comprehensive meanings and include any matter, which in the view of a complainant, is illegal, unethical, contrary to Heron's policies, or in some other manner, not proper or right.

11.1.2 EXAMPLES OF ACCOUNTING CONCERNS

Accounting Concerns can include:

- Violation of any applicable law, rule or regulation that relates to corporate reporting or disclosure;
- Violation of any of Heron's policies;
- Fraud or deliberate error in the preparation, evaluation, review or audit of any of Heron's financial statements, or those of any of its subsidiaries;
- Fraud or deliberate error in the recording and maintaining of Heron's financial records, or those of any of its subsidiaries;
- Deficiencies or non-compliance with Heron's, or any of its subsidiaries', internal policies and controls;
- Misrepresentations or false statements made by or to a director, officer, consultant or employee of Heron, or any of its subsidiaries, concerning a matter contained in its financial records, reports or audit reports; or
- Deviation from full and fair reporting of Heron's consolidated financial condition.

11.1.3 EXAMPLES OF UNACCEPTABLE CONDUCT

Unacceptable Conduct includes any conduct that:

- is dishonest, fraudulent or corrupt;
- is illegal such as theft, drug sale or use, violence, harassment or intimidation, criminal damage to property or other breaches of state or federal law;
- is potentially damaging to Heron, a Heron employee or a third party such as unsafe work practices, environmental damage, health risks or substantial wasting of company resources;
- amounts to an abuse of authority;
- may cause financial loss to Heron or damage its reputation or be otherwise detrimental to Heron's interests;



- involves bribery or a conflict of interest;
- involves any other kind of serious impropriety; or
- involves harassment, discrimination, victimisation or bullying.

11.2 COMMUNICATION

To ensure that all managers, employees and contractors (Staff) of Heron are aware of the Policy, a copy of the Policy will be available on Heron's website for their review or upon request to the Heron's Company Secretary. All Staff will be informed whenever significant changes are made. New Staff will be provided with a copy of this Policy and will be educated about its importance.

11.3 REPORTING OF ALLEGED VIOLATIONS AND COMPLAINTS

11.3.1 REPORTING PROCEDURE

Any Staff member who has an Accounting Concern regarding Heron, or any of its subsidiaries, may submit his/her concern to the Chair of the Audit Committee, presently Ms Fiona Robertson. Any Staff member who becomes aware of Unacceptable Conduct regarding Heron, or any of its subsidiaries, may submit his/her concern to the Company Secretary, presently Mr Simon Smith.

11.3.2 CONFIDENTIALITY

All submissions to the Chair of the Audit Committee or the Company Secretary shall be treated on a confidential and anonymous basis.

11.3.3 NO ADVERSE CONSEQUENCES

There will not be any adverse consequences for a Staff member making a submission regarding an Accounting Concern or concern relating to Unacceptable Conduct as set out in this Policy.

A submission regarding an Accounting Concern or Unacceptable Conduct may be made by a Staff member without fear of dismissal, disciplinary action or retaliation of any kind. Heron will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith an Accounting Concern, a report of Unacceptable Conduct or provides assistance to the Audit Committee, the Company Secretary, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating an Accounting Concern or Unacceptable Conduct.

11.3.4 TREATMENT OF ACCOUNTING CONCERNS SUBMISSIONS

Accounting Concerns will be reviewed as soon as possible by the Audit Committee with the assistance and direction of whomever the Audit Committee thinks appropriate including, but not limited to, external legal counsel. The Audit Committee shall implement such corrective measures and do such things in an expeditious manner as it deems necessary or desirable to address the Accounting Concern.

Where possible and when determined to be appropriate by the Audit Committee, notice of any such corrective measures will be given to the person who submitted the Accounting Concern.

11.3.5 TREATMENT OF UNACCEPTABLE CONDUCT SUBMISSIONS

Unacceptable Conduct will be reviewed as soon as possible by the Company Secretary with the assistance and direction of whomever the Company Secretary thinks appropriate including, but not limited to, external legal counsel. The Company Secretary shall implement such corrective measures and do such things in an expeditious manner as it deems necessary or desirable to address the Unacceptable Conduct.



Where possible and when determined to be appropriate by the Company Secretary, notice of any such corrective measures will be given to the person who submitted the report of Unacceptable Conduct.

11.3.6 RETENTION OF RECORDS

The Audit Committee shall retain all records relating to any Accounting Concern or report of a retaliatory act, including the investigation of any such report, for a period judged to be appropriate based upon the merits of the submission.

The Company Secretary shall retain all records relating to any Unacceptable Conduct or report of a retaliatory act, including the investigation of any such report, for a period judged to be appropriate based upon the merits of the submission.

11.4 POLICY REVIEW

The Audit and Risk Committee and the Company Secretary will review and evaluate this Policy on an annual basis to determine whether the Policy is effective in providing a confidential and anonymous procedure to report violations or complaints regarding Accounting Concerns and Unacceptable Conduct. Any recommended changes will be submitted to the Board for approval.

11.5 QUERIES

If you have any questions about how this Policy should be followed in a particular case, please contact the Chair of the Audit and Risk Committee or the Company Secretary.

ADOPTION

This Policy was adopted by the Board in August 2015