

Monday 15 June 2020

To assure you that The Perth Mint remains fully transparent with regards to its compliance with the responsible gold guidelines set out by the global gold industry's governing bodies, we would like to address several controversial issues that you may have seen recurring in news reports over the past week. These include:

Child labour – The Perth Mint does not endorse or condone child labour. It has not, and will not, engage with companies who exploit minors for commercial gain. The Artisanal Small-scale Mining (ASM) sector in PNG primarily comprises of family businesses where it is common practice for all family members to actively contribute to the activity.

Conflict gold – In our commitment to boycott conflict gold, we are vigilant in our assessments of the companies from which we source gold and other metals for processing. In addition to our own strict audit protocols, we also use the Heidelberg Institute's Conflict Barometer, a publication which monitors and tracks events and trends in global conflict developments and settlements across multiple countries to inform our assessments.

Use of mercury – We, along with the broader gold industry, are aware of the complex issues associated with ASM. The use of mercury in the extraction of gold is a common place, notwithstanding its negative environmental and social impacts. In March this year, the PNG Mineral Resources Authority announced a project to reduce the use of mercury in ASM. The Perth Mint is fully supportive of this initiative.

Golden Valley Enterprise – Our governing statutory legislation, *Gold Corporation Act 1987*, prevents The Perth Mint from disclosing information of individual clients. However, with the permission of Golden Valley Enterprise we can confirm that our dealings are with the corporate entity, which has passed the due diligence process and been granted the required permits and export licences by the PNG government. The relevant individual named in recent press reports is neither a manager, a director, or involved in the day to day running of Golden Valley Enterprise.

Claims of insider sources – The media articles mention that employees of The Perth Mint are the source of the information. To ensure we maintain the highest ethical standards across our operations, we support staff in anonymously escalating any concerns they may have of corrupt or improper conduct that is in the public interest via numerous platforms.

Adhering to the *Public Interest Disclosure Act 2003* (Whistle Blower Protection) we have in place policies and procedures which promote disclosure including *Speaking Out: A guide to making a public interest disclosure* and *Your Call* as well as other internal platforms.

There are also independent channels through which our employees may raise concerns should they believe they are not being addressed by management and/or our Board of Directors. Any such matters raised on these channels go directly to the relevant regulator and not to The Perth Mint. At no time have such reports been received in relation to PNG, Golden Valley Enterprise, conflict gold, child labour, criminal convictions of named individuals, or the use of mercury.

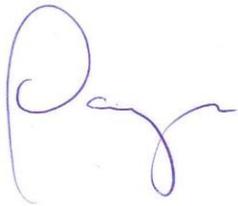
LMBA accreditation – Our long-standing accreditation with the LMBA is not in question and we have documentation stating we abide by their Responsible Gold Guidelines.

The LBMA has invoked an incident review of our responsible gold sourcing process and practices, which is their standard procedure in response to any issue that is raised and there are no predetermined outcomes.

Effective immediately as part of this process, we are suspending our relationships with all companies and aggregators dealing with ASM.

The LBMA has confirmed in writing on 12 June 2020, "...to date, The Perth Mint has been fully compliant with the LBMA Responsible Sourcing Program".

Kind regards



Richard Hayes
Chief Executive Officer
The Perth Mint