

VALUES POLICY

1. OVERVIEW

1.1 Purpose

Hydrocarbon Dynamics Limited (HCD) is firmly committed to ensuring that it and all directors, employees, representatives and service providers observe the highest standards of core values and conduct. Decisions made in relation to HCD should honour the spirit and letter of the law. To this end, business will be conducted honestly and ethically, using best skills and judgments, for the benefit of clients, employees and HCD itself.

This Values Policy ('Value') is not simply an aspirational statement of intent. All HCD employees are required to uphold and comply with the Values. Directors are required also to promote the Values espoused. Employees and representatives are personally responsible for observing these Values at all times. Any breach of these Values may result in disciplinary action up to and including dismissal.

Other Documents Applicable to this Policy:

HCD has a number of documented policies, which set out specific legal and ethical requirements and expectations. These policies provide further information on, and procedures for dealing with, the issues addressed in the Values Policy.

Where there is any inconsistency between this policy and any specific policy, the specific policy applies. As HCD is an ASX listed entity, any relevant legislation or policy of the ASX or ASIC will apply to this policy.

The Values sets out HCD's core values which underpin its culture, Code of Conduct, business strategy, remuneration structure and general approach to its business dealings.

1.2 Definitions

The definition of a HCD employee includes all, or any, entities associated with that employee. The definition of a HCD service provider includes any external provider of services to HCD and all, or any, entities associated with that provider.

A reference to employees in this policy includes a reference to a director, representative and service provider and a reference to management includes the board of directors.

1.3 Scope

This policy applies to HCD employees, service providers, representatives and the HCD board of directors ("Board") in relation to their dealings with HCD.

2. DETAILS OF CORE VALUES

2.1 Core Values

HCD is committed to being honest, behaving with integrity and giving superior service. HCD can only achieve this through its people. Obligations and responsibilities fall equally on HCD and every one of its employees.

- **Integrity**
Acting honestly, diligently and with truthfulness.
- **Professional excellence**
Striving to achieve strong individual and Company performance through a commitment to professionalism.
- **Stakeholder interests**
Dealing fairly, without prejudice and in the best interests of shareholders having regard to other stakeholders
- **Compliance**
Abiding by the law and complying with Company charters, codes and policies
- **Accountability**
Providing full and accurate information about the facts and technical background to policies and conforming to the law and may be held to account through the legal system.

2.2 Management Values

- Respect all employees' dignity, rights, freedoms and individual needs;
- Provide a working environment that is safe, challenging and rewarding;
- Recognise the work and contribution of each employee;
- Reinforce HCD's commitment to the highest standards in business and professional ethics;
- Uphold the principles of equal opportunity; and
- Obey the law.

2.3 Employee Responsibilities

- Treat, clients, visitors and fellow employees with honesty, courtesy and respect;
- Respect and safeguard the property of clients, HCD and fellow employees;
- Maintain the confidentiality of all client, company and other parties' information gained through the work performed;
- Accomplish daily duties in the best possible manner, utilising all available skills, experience and qualifications;
- Complete tasks in a safe, responsible and effective manner;
- Ensure personal business and financial interests do not conflict with any duty allocated by HCD;
- Work within HCD's policies and rules;
- Maintain a work environment free of discrimination, harassment and bullying; and

- Obey the law.

HCD's core values provide the foundation for its strong ethical and honest culture and enhancing a reputation in the investment community for trust and transparency. HCD's core values are continually reinforced by the Board's leadership and by the conduct and attitude of senior management.

3. IMPLICATIONS

HCD will be responsible for:

- Communicating this policy to employees; and
- Monitoring the implementation of this policy.

4. REVIEW OF POLICY

The Board reviews this policy annually.

5. ADMINISTRATION OF POLICY

The Board administers this policy.

6. BOARD APPROVAL / ATTESTATION

This policy and any amendments to it are to be approved by the Board.