

COVATEK Srl recognizes the **importance** of its role as an **honest, ethical, high quality** company, employer and partner.

As such, it is to the benefit of all shareholders, officers, employees, contractors and partners that the Company adheres to, and upholds, high ethical standards.

The Company will adhere to the **highest ethical standards** in all of its business activities, and all of the Company's directors, officers, employees and consultants are expected to maintain these standards. The Company's directors, officers, employees and consultants are expected to strive to deal fairly with the Company's security holders, customers, suppliers and competitors.

The Company and its directors, officers, employees and consultants shall comply with all laws and regulations applicable to the Company's activities. A concern for what is right must underlie all business decisions.

In view of the ever-increasing complexity of the laws governing business activity, whenever a director, officer, employee or consultant is in doubt about the application or interpretation of any legal requirement, the director, officer, employee or consultant should seek the advice of the Managing Director (the "MD") of the Company or.

1. No business operation should be considered effective or complete without proper attention **to safety, health** and the **environment**.
2. The Company believes that its directors, officers, **employees and consultants are a valuable asset** to be treated fairly **without discrimination** by reason of race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status or physical handicap.
3. Directors, officers, employees and consultants shall not use their status with the Company to obtain **personal gain** from those doing or seeking to do business with the Company.

4. Directors, officers, employees and consultants shall not furnish, on behalf of the Company, expensive gifts or provide excessive benefits to other persons. At times, the Company's suppliers may offer gifts, including entertainment. While **gifts of cash are never acceptable**, you may accept gifts amounting to €100.00 or less on behalf of the Company. Generally acceptable gifts or entertainment are limited to entertainment and sporting event tickets, **dinner with clients**, customers or suppliers which do not affect the independent judgment of such directors, officers, employees or consultants. Other gifts or benefits must be approved by a senior officer of the Company prior to acceptance. If in doubt, consult a senior officer of the Company for advice in this regard or if you are an officer or director, consult the MD.

5. The direct or indirect use of the Company's funds, goods or services as contributions to political parties, campaigns or candidates for election to any level of government requires approval of a senior executive officer of the Company.

6. All dealings between directors, officers, employees and consultants of the Company and public officials are to be conducted in a manner that will not, and will not appear to, compromise the integrity or impugn the reputation of any public official or the Company.

7. Directors, officers, employees and consultants who become involved in a situation in which **their personal interests conflict** or might conflict with their duties to the Company must immediately report the situation to their manager or a senior executive officer or, in the case of, officers or directors, to the Chairman of the Company.

8. Directors, officers, employees and consultants have an obligation to promote the best interests of **Covatek** at all times. They should **avoid** any action which may involve a **conflict of interest** with the Company. Directors, officers, employees and consultants should not have any undisclosed, unapproved financial or other business relationships with suppliers, customers or competitors that might impair the independence of any judgment they may need to make on behalf of the Company. Conflicts of interest would also arise if a director, officer, employee or consultant, or a member of his or her family, receives improper personal benefits as a result of his or her position with the Company.

9. Where conflicts of interest arise, directors, officers, employees and consultants must **provide full disclosure of the circumstances** and not be involved in any related decision making process.

10. Directors, officers, employees and consultants should also avoid apparent conflicts of interest, which occur where a reasonable observer might assume there is a conflict of interest and, therefore, a loss of objectivity in their dealings on behalf of the Company.

11. All directors, officers, employees and consultants are responsible for **protecting the Company's assets** and managers are specifically responsible for establishing and maintaining appropriate internal controls to safeguard the Company's assets against loss from unauthorized use or disposition. Directors, officers, employees and consultants should not make use of the Company's property or resources for their own personal benefit or purposes.

12. The books and records of the Company must reflect in reasonable detail all of its business transactions in a timely, fair and accurate manner in order to, among other things, permit the preparation of accurate financial statements in accordance with generally accepted accounting principles. All assets and liabilities of the Company must be recorded as necessary to maintain accountability for them. All business transactions must be properly authorized and transactions must be supported by accurate documentation in reasonable detail and recorded properly.

13. No information may be concealed from the Company's external auditors or reserves engineers, the senior officers and board of directors of the Company or any committee of the board of directors of the Company. In addition, it is illegal to fraudulently influence, coerce, manipulate or mislead an external auditor or reserves engineer who is auditing the Company's financial statements or evaluating the Company's reserves, respectively.

14. Certain of the Company's **records, reports, papers, devices, processes, plans, methods** and apparatus are considered by the Company **to be confidential** information, and directors, officers, employees and consultants are prohibited from revealing such matters except as may be allowed under the Company's Disclosure Policy. Confidential information includes, but is not limited to, technical information, results, observations, analyses, compilations, evaluations, assessments, business or commercial data or plans and investor related data. The term "confidential information" relates to the underlying nature of the information, covering both oral and written information, and is independent of the medium on which the information is stored. It thus covers information stored on paper, various magnetic media, computer, microfiche or any other medium.

15. During the course of employment in the case of employees, the term of the consulting contract with the Company in the case of consultants and during their term as directors or officers in the case of directors and officers of the Company and for a **period of one year** thereafter, directors, officers, employees and consultants **shall not use for their own financial gain** or disclose for the use of others, confidential information, obtained as a result of their position with the Company.

16. Once the Company is a publicly traded entity, it shall have an obligation to comply with the rules relating to disclosure of material and price sensitive information under the relevant securities legislation and the rules, policies and guidance of the stock exchange where the Company is listed.

17. **Speculation** in business, shares and other securities, land or other ventures of any kind on the basis of confidential information obtained in the course of a director's, officer's, employee's or consultant's duties with the Company is **prohibited**. This includes but is not limited to shares or securities of any company which the Company is evaluating or is studying as a possible acquisition or joint venture partner or with whom a material contract may be concluded. Use or disclosure of such information can result in civil or criminal penalties, for both the individuals involved and the Company.

18. It is the responsibility of every director, officer, employee and consultant to bring to the attention of the Company, knowledge of **any situation** which might **adversely affect the Company's reputation**. All directors, officers, employees and consultants are encouraged to report, verbally, or in writing any evidence of improper practice of which they are aware in accordance with the procedures described in the Company's Whistleblower Policy. As used here, the term "improper practice" means any illegal, fraudulent, dishonest, unsafe, negligent or otherwise unethical action by a director, officer, employee or consultant.

19. The Company and the Company's directors, officers, employees and consultants shall comply with copyright law and any other laws applicable to the use of computer software, hardware and related materials, as well as with any and all contracts entered into by the Company with suppliers or licensors of computer software, hardware and related materials.

20. Any waiver of this Code for directors or officers may be made only by the board of directors and will be promptly disclosed as required by law, regulation or stock exchange requirement. Any amendment of this Code will be disclosed as required by law. Waivers in respect of employees or consultants may be given by the MD who shall report any waivers given to the board of directors at its next meeting.

All directors, officers, employees and consultants are **responsible** for abiding by this Code. This includes individuals responsible for the failure to exercise proper supervision and to **detect** and **report** a **violation** by their subordinates. All directors, officers, employees and consultants are encouraged to report violations of this Code in accordance with the procedures described in the Company's **Whistleblower Policy**. Violations of this Code will result in the Company taking effective remedial action commensurate with the severity of the violation. This action may include disciplinary measures up to and including termination in the case of a director, employee or officer or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings. If determined appropriate, a matter may be referred to the appropriate authorities.