

UN
GLOBAL
COMPACT



COMMUNICATION ON PROGRESS 2011



LINCOLN CROWNE & COMPANY®
STRATEGY MERGERS ACQUISITIONS



About Lincoln Crowne & Company®

LCC is an independent securities dealer specialising in the delivery of strategic Mergers & Acquisitions advice. As a trusted independent and boutique corporate finance firm, LCC has expertise in guiding Boards of Directors and Shareholders through complex Mergers & Acquisitions and Corporate Strategy Engagements. LCC's approach to all engagements is based on both technical and economic fundamentals, and how these fundamentals translate into shareholder value.

LCC's core principles are based on the understanding that its purpose as a Firm is to deliver deal making expertise, innovative thinking, deep commercial and financial judgment, and clear independent advice.

Continuing Commitment

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Since its initial commitment to the principles of the United Nations Global Compact ('UNGCI), Lincoln Crowne & Company® ('LCC®') has continued to advocate the importance of the UNGC's Ten Principles throughout the 2011 year.

In particular, the social responsibility aspect of our corporate governance model continues to focus on the rights of children in under developed countries –a particular emphasis in Asia Pacific, the region in which we primarily conduct our work. We are committed to finding ways in which youth can be supported, nurtured and educated in these developing nations.

We have found that the reference to the UNGC in staff orientation packages, education and ongoing training of our staff and in client-facing documentation has added a depth to our commitment, as well as an immediate interest in our level of engagement with the Ten Principles.

Twelve months since I last reported to the UNGC, it gives me great pleasure in making a continued statement of support. The ten Principles still form a large part of the framework in which LCC engages and conducts its work both in Australia, and across the Asian region.

I would like to second Georg Kell's words - Executive Director of the UN Global Compact, when he commented on sustainable business practices and their place within the overall philosophy and corporate governance structures of any firm. *It is only when a business has sustainable values and practices in place that long-term value can be built from the ground up.* LCC both respects and shares this view. I remain proud to be the Director continuing LCC's commitment to the UNGC.

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Ongoing Company Policy Relevance

LCC's business continues to develop on a cross border basis. Our Firm comes into continual contact with organizations based in emerging Asian nations, and as such, the Ten core Principles remain of the utmost importance to bear in mind as we interact with such organizations.

As these emerging nations develop, we have observed examples where advancement of basic human rights and often issues of corruption plague these economies. Principle 10 of the UNGC provides an excellent external point of reference and reinforcement of the repugnance of such practices.

On this, LCC is careful to only engage with companies that have demonstrated positive action on such principles, and LCC conducts risk assessment analysis on each individual case in point. In the resources industry, we have observed instances where unacceptable labour and work conditions have combined to, in our opinion, amount to an effective abuse of basic human rights. We have been careful to steer away from involvement with any such organization given our core commitment to the UNGC.

Our core business involves dealing directly with Boards and Directors. The UNGC directly addresses the role of corporate boards in moving their companies towards sustainable practice policies. LCC is then challenged to ensure its ongoing commitment to the UNGC by choosing to work with CEO's, Boards of Directors and Shareholders that promote a demonstrated respect for environmental, anti-corruption, labour and human rights policies that are in line with the UNGC. This has involved our analysts conducting in-depth company research to come to the satisfactory 'checks and balances' in our due diligence prior to engagement. Such instances have allowed LCC's staff to understand real world examples of unacceptable corporate behavior, and LCC has educated them as to the correct and appropriate way to deal with situations when they arise. This has particular relevance in cross-border engagements, as previously expressed. Driving these core due diligence principles into our culture ensures staff think critically and 'outside their office' about social issues in a way which they might otherwise not have. Along with this comes a ripple effect of 'peer to peer' learned culture as our team expands, essentially growing and emphasizing our ongoing commitment.

The screenshot shows the 'Community Focus' section of the Lincoln Crowne & Company website. It features four main sections:
1. **PHILANTHROPY:** Lincoln Crowne & Company has initiated the Lincoln Crowne Foundation, a charitable organization which supports grassroots charities whose mission is to enrich the lives of underprivileged and disadvantaged people in South East Asia, Australia and the Pacific Islands. lccfoundation.org
2. **ACADEMIA:** LCC is a member of the Law Faculty of Bond University, supporting Mining and Natural Resources Law and Legal Aspects of Business Acquisition subjects. LCC and Bond University has established a relationship surrounding the importance of academic, academic insights and outstanding performance. LCC also sponsors the third Undergraduate Student in the Faculty of Business & Finance's Diploma Making within the Faculty of Business and the Postgraduate subject "Mining & Acquisitions". LCC is eager to encourage students to succeed in these subjects.
3. **GOVERNANCE:** Lincoln Crowne & Company is a signatory to the United Nations Global Compact. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies to ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. lccglobalcompact.org
4. **SPORT:** Lincoln Crowne & Company has sponsored the 12-metres 40ft 'Lincoln Crowne' for over three seasons, skippered by Jonathan Temple and crewed by Richard Jones. This team has enjoyed multiple successes including winning the Australian National Championships 3 times and the NSW State Championships 3 times. LCC also sponsors #1 foot sail organized by David Scott, with an award winning crew and sailed at the Manly 10ft Staff Sailing Club. lccyachting.com.au

LCC's External Documentation - Community page

Lincoln Crowne & Company's new corporate website pays direct attention to our commitment to charitable and philanthropic works, as well as our pledge to support the UN Global Compact – this is both an external site, and a means for staff to engage with. Further information is available in Staff Orientation Guides and Operations Manuals. All external documentation such as Pitch Books; Memo's; letters to clients; and invoices, highlight LCC's commitment to the UNGC. To a prospective client/contact, these documents serve as an initial reference to what LCC respects and upholds as good business practice and good business values. This gives credibility to our work, and situates our business within the wider, more globalized social context.

LCC uses the UNGC logo. The logo is positioned on all Appendices on external work, the LCC website and subsidiary Lincoln Crowne Foundation website. We have found that this positioning has produced inquiries as to the purpose and relevance of the UNGC, and has created a level of respect for the Firm and its ongoing commitment to the principles of the UNGC.

In relation to matters of the environment, LCC seeks to minimize its carbon footprint. We elect to recycle all items responsibly, including difficult items such as old computer hardware. We minimize our use of paper within the office, and limit printing to the bare minimum, whilst recycling printer cartridges where possible. LCC has also turned to cartridge distributors that carry the 'green friendly' label. We are careful with our choice of energy efficient hardware and of our distributors and manufacturer's practices in the same manner.

Philanthropy & the Australian Chapter

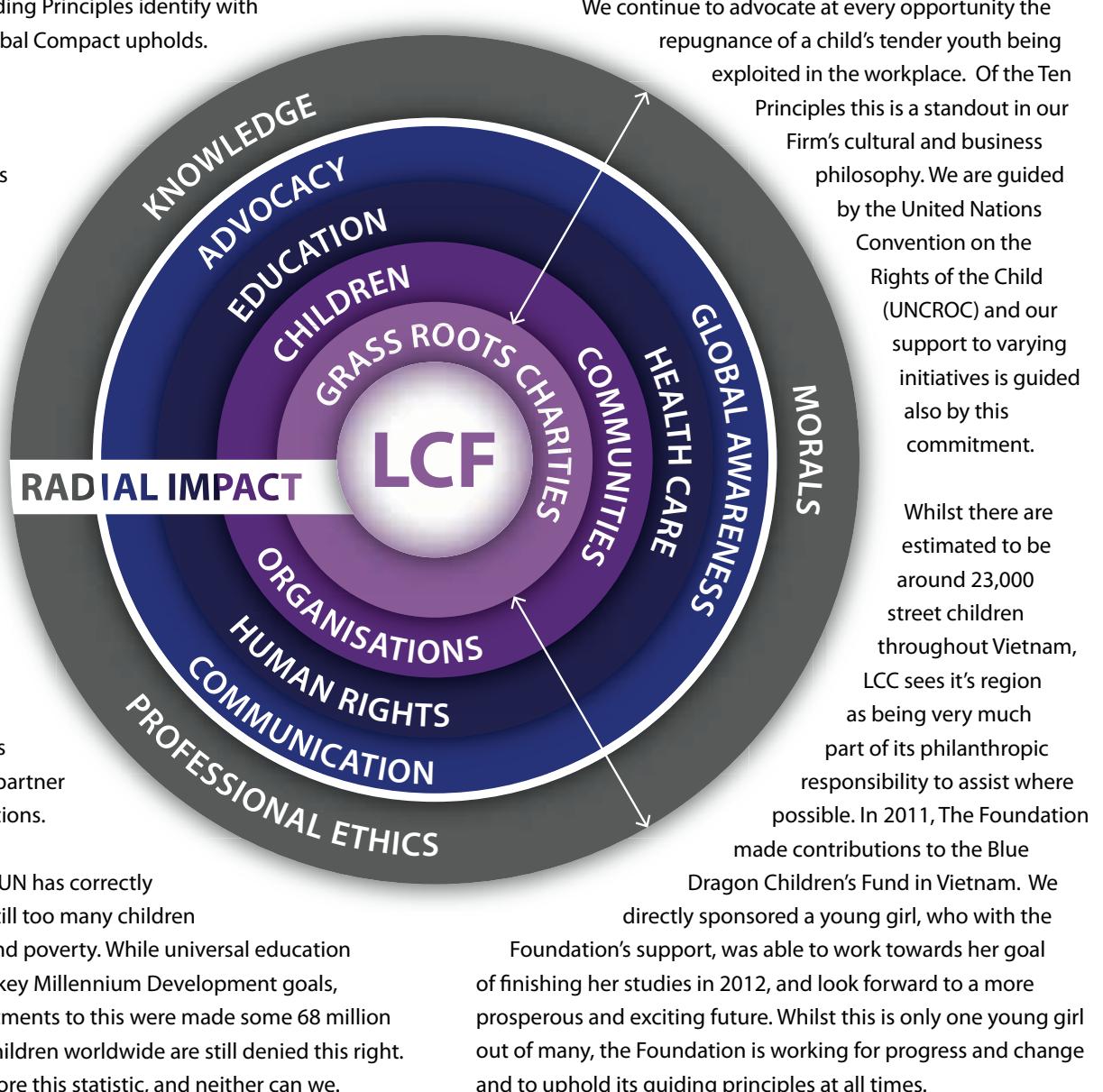
The UNGC's principles are upheld by LCC in our ongoing work with children's charities in developing nations, through the Lincoln Crowne Foundation, which Nicholas Assef founded. Through this work we continue to learn of unacceptable circumstances where children are forced into labour, in direct conflict with Principle 5.

The Foundation's Guiding Principles identify with much of what the Global Compact upholds.
(see diagram)

The Foundation's first two guiding principles are to seek to help communities and organisations that work to support the plight of children in Australasia and to provide an impact on the betterment of these children's lives. Both of these guiding principles mirror Principle 1 & 2 of the Human Rights set of core values of the UNGC, and it is for this reason we choose to partner with certain organisations.

Unfortunately, as the UN has correctly identified, there are still too many children affected by neglect and poverty. While universal education by 2015 is one of the key Millennium Development goals, decades after commitments to this were made some 68 million primary school age children worldwide are still denied this right. The world cannot ignore this statistic, and neither can we.

LCC intends to continue forging and building partnerships with organisations whose core purpose is to educate, house, feed and look after the children the world merely sees as a statistic. The Foundation's support is focused on supporting organizations who locally work for children who have suffered the effects of poverty, lack of education and malnourishment.



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These values are interchangeable with LCC and the Foundation. They are one and the same.

The Foundation also made financial commitments to Treasure House Children's Home in Fiji in 2011. Treasure House is a home for under privileged children orphaned through tragic circumstances. Some of them are without one or both parents, in some cases as a direct result of domestic crisis and violence, deep poverty and drug, alcohol or sex abuse – a breach of the UNGC Principles 1 & 2. The ongoing support of the Foundation resulted in one of the children's play areas being named The Nicholas Room, a great honour for myself as founder of the Firm and the Foundation. The Foundation recently made a donation so that Treasure House could purchase four new tyres for their bus.

Whilst even the most affluent in the world continue to struggle with the post-global financial crisis, children who have become trapped in the vacuum of poverty, suffer no end. It is these statistics that have driven us to enable change in regional grass roots organisations that need support.

Future activities

As a small operation LCC's objective is to ensure that the Ten Principles are interwoven into our operations as our business footprint continues to grow. It is our core business to ensure that we align our strategies and operational goals with support focused on providing poor communities, particularly in the Asia Pacific region, with access to health care, clean water, and education.

During 2012 LCC will be investigating additional Networks and Organizations that are complimentary to both the UNGC and the social responsibility path which LCC wishes to develop. We receive almost weekly requests for support, both through existing partnerships, and new ones. This year, LCC aims to review these requests with a more structured and reflective approach, looking at contributions annually, rather than as ad-hoc.

LCC has recently partnered with Variety, the Children's Charity to support the 12ft Skiff Port Jackson Championships. This represents the launch of a series of projects aimed at raising awareness for Alopecia Areata, a serious medical condition where sufferers traumatically and without explanation suddenly lose their scalp and body hair. Whilst this medical condition does not fall under one of the Ten Principles it is a clear example of the firm's efforts in engaging with charitable organisations whose aim it is to advance and primarily consider the 'best interests of the child' - a principle of the UNCROC, and an underpinning core value of the UN itself.

Lincoln Crowne and Company, with and through the Lincoln Crowne Foundation is looking forward to a 2012 that reaches out and does more for what the principles of the UNGC sets out as integral to good corporate governance and responsibility. LCC seeks to do this with the knowledge it is a signatory to the world's most recognised global business strategic policy initiative.



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