

## Corporate governance statement

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has considered the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Recommendations*.

In line with the above, the board has set out the way forward for the Company in its implementation of its *Principles of Good Corporate Governance and Recommendations*. The approach taken by the board was to set a blueprint for the Company to follow as it introduces elements of the governance process. Due to the current size of the Company and the scale of its operations, it is neither practical nor economic for the adoption of all of the recommendations approved via the board charter. Where the Company has not adhered to the recommendations, it has stated that fact in this Corporate Governance Statement; however, it has set out a mandate for future compliance when the size of the Company and the scale of its operations warrants the introduction of those recommendations. Date of last review and Board approval: **16 September 2019**.

Principle/recommendation	Compliance	Reference	Commentary
<b>Principle 1: Lay solid foundations for management and oversight</b>			
<b>Recommendation 1.1</b>			
A listed entity should disclose: a) the respective roles and responsibilities of its board and management, and b) those matters expressly reserved to the board and those delegated to management.	Yes	Board Charter, Code of Conduct, Independent Professional Advice Policy, website	<p>To add value to the Company, the board is formed to be of effective composition, size and commitment to adequately discharge its responsibilities and duties. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgement. The board's role is to govern the Company rather than manage it. In governing the Company, the directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the board, and the responsibility of the board to oversee the activities of management in carrying out those delegated duties.</p> <p>In carrying out its governance role, the main task of the board is to drive the performance of the Company. The board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The board has the final responsibility for the successful operations of the Company. To assist the board in carrying out its functions, it has developed a Code of Conduct to guide the directors.</p>

Principle/recommendation	Compliance	Reference	Commentary
<i>Recommendation 1.1 continued</i>			
			<p>In general, the board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company. Without intending to limit this general role of the board, the principal functions and responsibilities of the board include the following.</p> <ul style="list-style-type: none"> <li>▪ Leadership of the organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the board.</li> <li>▪ Strategy formulation: setting out and reviewing the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company.</li> <li>▪ Overseeing planning activities: development of the Company's strategic plan.</li> <li>▪ Shareholder liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company, as well as ensuring timely and balanced disclosures of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the entity's securities.</li> <li>▪ Monitoring, compliance and risk management: development of the Company's risk management, compliance, control and accountability systems and monitoring and directing of the financial and operational performance of the Company.</li> <li>▪ Company finances: approving expenses and approving and monitoring acquisitions, divestitures and financial and other reporting, along with ensuring the integrity of the Company's financial and other reporting.</li> </ul> <p>Human resources: reviewing the performance of executive officers and monitoring the performance of senior management in their implementation of the Company's strategy.</p>

Principle/recommendation	Compliance	Reference	Commentary
<b>Recommendation 1.1 continued</b>			
			<ul style="list-style-type: none"> <li>▪ Ensuring the health, safety and well-being of employees: in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees.</li> <li>▪ Delegation of authority: delegating appropriate powers to the managing director to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the committees of the board.</li> <li>▪ Monitoring the effectiveness of the Company's corporate governance practices.</li> </ul> <p>Full details of the board's and company secretary's roles and responsibilities are contained in the Board Charter. The board collectively, and each director, has the right to seek independent professional advice at the Company's expense, up to specified limits (that limit is currently set at \$2,000), to assist them in carrying out their responsibilities.</p>
<b>Recommendation 1.2</b>			
<p>A listed entity should:</p> <p>a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director, and</p> <p>b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re- elect a director.</p>	Yes	Director Selection Procedure, website	<p>Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least one director with experience appropriate to the Company's operations. The Company's current directors all have relevant experience in the Company's operations. In addition, directors should have the relevant blend of personal experience in:</p> <ul style="list-style-type: none"> <li>▪ accounting and financial management, and</li> <li>▪ director-level business experience.</li> </ul> <p>Each member of the board is committed to spending sufficient time to enable them to carry out their duties as a director of the Company. In determining candidates for the board, the Nomination Committee follows a prescribed process whereby it evaluates the mix of skills, experience and expertise of the existing board. In particular, the Nomination Committee is to identify the particular skills that will best</p>

Principle/recommendation	Compliance	Reference	Commentary
<b>Recommendation 1.2 continued</b>			
			increase the board's effectiveness. Consideration is also given to the balance of independent directors. Potential candidates are identified and, if relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the board. Any board appointment the board makes is subject to ratification by shareholders at the next general meeting. Each non-executive director has a written agreement with the Company that covers all aspects of their appointment, including term, time commitment required, remuneration, disclosure of interests that may affect independence, guidance on complying with corporate governance policies and the right to seek independent advice, indemnity and insurance arrangements, rights of access to Company information and ongoing confidentiality obligations, as well as roles on Company committees.
<b>Recommendation 1.3</b>			
A listed entity should have a written agreement with each director and senior executive, setting out the terms of their appointment.	Yes	Kept at registered office, Independent Professional Advice Policy	Each director has a written and up-to-date agreement. The board collectively, and each director, has the right to seek independent professional advice at the Company's expense, up to specified limits (that limit is currently set at \$2,000), to assist them in carrying out their responsibilities.
<b>Recommendation 1.4</b>			
The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	Board Charter, website	Full details of the board's and company secretary's roles and responsibilities are contained in the Board Charter.

Principle/recommendation	Compliance	Reference	Commentary
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<b>Recommendation 1.5</b>			
<p>A listed entity should:</p> <p>a) have a diversity policy that includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>b) disclose that policy or a summary of it, and</p> <p>c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and:</p> <p>1) the respective proportions of men and women on the board, in senior executive positions and across the organisation (including how the entity has defined 'senior executive' for these purposes), or</p> <p>2) if the entity is a 'relevant employer' under the Workplace Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined in and published under that Act.</p>	Yes	Diversity Policy, website	<p>The Company recognises and respects the value of diversity at all levels of the organisation. The Company is committed to setting measurable objectives for attracting and engaging women at the Board level, in senior management and across the whole organisation.</p> <p>The Diversity Policy was reviewed during the year and the Company continues with the following objectives for the employment of women.</p> <ul style="list-style-type: none"> <li>▪ To the Board – 25% by 2025</li> <li>▪ To senior management – 25% by 2025</li> <li>▪ To the organisation as a whole – 25% by 2025</li> </ul> <p>As at the date of this report, the Company has the following proportion of women appointed.</p> <ul style="list-style-type: none"> <li>▪ To the Board – 0%</li> <li>▪ To senior management (including Company Secretary) – 33%</li> <li>▪ To the organisation as a whole – 37%</li> </ul> <p>The Company recognises that the mining and exploration industry is intrinsically male-dominated in many of the operational sectors, and that the pool of women with appropriate skills will be limited in some instances. The Company recognises that diversity extends to matters of age, disability, ethnicity, marital/family status, religious/cultural background and sexual orientation. Where possible, the Company will seek to identify suitable candidates for positions from a diverse pool.</p>

Principle/recommendation	Compliance	Reference	Commentary
<b>Recommendation 1.6</b>			
<p>A listed entity should:</p> <p>a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors, and</p> <p>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	Board, committee and individual performance evaluation procedure, website	It is the policy of the board to evaluate its performance. The objective of this evaluation is to provide best practice corporate governance to the Company. During the financial year an evaluation of the performance of the board and its members was formally carried out. From this evaluation, a few areas for improvement were noted but the important conclusion drawn was that there was no overlapping skillset in the board.
<b>Recommendation 1.7</b>			
A listed entity should have and disclose a process for periodically evaluating the performance of its senior executives and disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	Board, committee and individual performance evaluation procedure, website	It is the policy of the board to evaluate an individual's performance. The objective of this evaluation is to provide best practice corporate governance to the Company. During the year, an evaluation of the performance of individuals was formally carried out. From this evaluation, a few areas for improvement were noted.

Principle/recommendation	Compliance	Reference	Commentary
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**Principle 2: Structure the board to add value**

**Recommendation 2.1**

<p>The board of a listed entity should have a nomination committee that:</p> <p>a) has at least three members, a majority of whom are independent directors, and</p> <p>b) is chaired by an Independent director, and disclose:</p> <ol style="list-style-type: none"> <li>1) the charter of the committee;</li> <li>2) the members of the committee, and as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings,</li> </ol> <p>or, if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>No</p>	<p>Nomination Committee Charter, Independent Professional Advice Policy, website</p>	<p>The board has not established a separate Nomination Committee. Given the current size and composition of the board, the board believes that no efficiencies would be gained by establishing a separate Nomination Committee. Accordingly, the board performs the role of the Nomination Committee. Items usually required to be discussed by a nomination committee are discussed at a separate meeting when required.</p> <p>When the board convenes as the Nomination Committee, it carries out those functions delegated to it in the Company's Nomination Committee Charter. The board deals with any conflicts of interest that may occur when convening in the capacity of the Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.</p>
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Principle/recommendation	Compliance	Reference	Commentary
<b>Recommendation 2.2</b>			
a) A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	Internal management document	The Company has reviewed the skill set of its Board to determine where the skills lie and any relevant gaps in skills shortages. The Company is working towards filling these gaps through professional development initiatives as well as seeking to identify suitable Board candidates for positions from a diverse pool.
<b>Recommendation 2.3</b>			
<p>A listed entity should disclose:</p> <p>a) the names of the directors considered by the board to be independent directors;</p> <p>b) if a director has an interest, position, association or relationship of the type described in point 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion, and</p> <p>c) the length of service of each director.</p>	Yes	Board Charter, Independence of Directors Assessment, website	<p>The independent directors of the Company are George Bauk (appointment 15 July 2015 and length of service 4.1 years) and Bryan Dixon (appointment 7 December 2009 and length of service 9.75 years). Both George Bauk and Bryan Dixon are independent, as they are non-executive directors who are not members of management and who are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement. The board considers the independence of directors having regard to the relationships listed in point 2.3 of the Principles &amp; Recommendations and the Company's materiality thresholds. The board has agreed on the following guidelines, as set out in the Company's Board Charter, for assessing the materiality of matters.</p> <ul style="list-style-type: none"> <li>▪ Balance sheet items are material if they have a value of more than 10% of a pro-forma net asset.</li> <li>▪ Profit and loss items are material if they will have an impact on the current year operating result of 10% or more.</li> <li>▪ Items are also material if they impact on the reputation of the Company, involve a breach of legislation, are outside the ordinary course of business, could affect the Company's rights to its assets, if accumulated would trigger the quantitative tests, involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items, or will have an effect on operations that is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.</li> </ul>

Principle/recommendation	Compliance	Reference	Commentary
<b>Recommendation 2.3 continued</b>			
			<ul style="list-style-type: none"> <li>Contracts will be considered material if they are outside the ordinary course of business, contain exceptionally onerous provisions in the opinion of the board, impact on income or distribution in excess of the quantitative tests, there is a likelihood that either party will default and the default may trigger any of the quantitative or qualitative tests, are essential to the activities of the Company and cannot be replaced or cannot be replaced without an increase in cost that triggers any of the quantitative tests, contain or trigger change of control provisions, are between or for the benefit of related parties, or otherwise trigger the quantitative tests.</li> </ul> <p>The non-independent director of the Company is Adrian Griffin (appointment 31 January 2011 and length of service 8.6 years), who is managing director and is deemed not to be independent.</p>
<b>Recommendation 2.4</b>			
A majority of the board of a listed entity should be Independent directors.	Yes	Independence of Directors Assessment, website	The board has a majority of directors who are independent.
<b>Recommendation 2.5</b>			
The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Yes	Independence of Directors Assessment, website	The chairperson is an independent director who is not the CEO/managing director.

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<b>Recommendation 2.6</b>			
A listed entity should have a programme for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	Director Induction Programme, Ongoing Education Framework, website	<p>It is the policy of the Company that each new director undergoes an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new directors includes the following.</p> <ul style="list-style-type: none"> <li>▪ Details of the roles and responsibilities of a director.</li> <li>▪ Formal policies on director appointment, as well as conduct and contribution expectations.</li> <li>▪ A copy of the Corporate Governance Statement, charters, policies and memos.</li> <li>▪ A copy of the Constitution of the Company.</li> </ul> <p>In order to achieve continuing improvement in board performance, all directors are encouraged to undergo continual professional development. The Board has implemented an Ongoing Education Framework.</p>

<b>Principle 3: Act ethically and responsibly</b>			
<b>Recommendation 3.1</b>			
<p>A listed entity should:</p> <p>a) have a code of conduct for its directors, senior executives and employees, and</p> <p>b) disclose that code or a summary of it.</p>	Yes	Code of Conduct, website	<p>As part of its commitment to recognising the legitimate interests of stakeholders, the Company has established a Code of Conduct to guide compliance with legal and other obligations to legitimate stakeholders. These stakeholders include employees, clients, customers, government authorities, creditors and the community as whole.</p>

Principle/recommendation	Compliance	Reference	Commentary
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**Principle 4: Safeguard integrity in corporate reporting**

**Recommendation 4.1**

<p>The board of a listed entity should have an audit committee that:</p> <p>a) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors, and</p> <p>b) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <ol style="list-style-type: none"> <li>1) the charter of the committee;</li> <li>2) the relevant qualifications and</li> <li>3) experience of the members of the committee, and</li> <li>4) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings,</li> </ol> <p>or if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>No</p>	<p>Audit and Risk Committee Charter, website</p>	<p>The board has not established a separate Audit Committee, and therefore it is not structured in accordance with Recommendation 4.1. Given the current size and composition of the board, the board believes that there would be no efficiencies gained by establishing a separate Audit Committee. Accordingly, the board performs the role of Audit Committee. Items that are usually required to be discussed by an Audit Committee are discussed at a separate meeting when required. When the board convenes as the Audit Committee, it carries out those functions delegated to it in the Company's Audit Committee Charter. The board deals with any conflicts of interest that may occur when convening in the capacity of the Audit Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.</p> <p>The board as a whole met as the Audit Committee twice during the year and all board members were in attendance. To assist the board to fulfil its function as the Audit Committee, the Company has adopted an Audit Committee Charter that describes the role, composition, functions and responsibilities of the Audit Committee. All of the directors consider themselves to be financially literate and possess relevant industry experience.</p> <p>The Company has established procedures for the selection, appointment and rotation of its external auditor. The board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the board.</p>
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Principle/recommendation	Compliance	Reference	Commentary
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<b>Recommendation 4.2</b>			
The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	Kept at registered office	The managing director and CFO provide a declaration to the board in accordance with section 295A of the Corporations Act for each financial report and assure the board that such declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.
<b>Recommendation 4.3</b>			
A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	AGM	The external auditor is invited to attend every AGM for the purpose of answering questions from security holders relevant to the audit.

Principle/recommendation	Compliance	Reference	Commentary
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**Principle 5: Make timely and balanced disclosure**

**Recommendation 5.1**

<p>A listed entity should:</p> <p>a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules, and</p> <p>b) disclose that policy or a summary of it.</p>	<p>Yes</p>	<p>Continuous Disclosure Policy, website</p>	<p>The board has designated the company secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX, as well as communicating with the ASX. In accordance with the ASX Listing Rules, the Company immediately notifies the ASX of information:</p> <ul style="list-style-type: none"> <li>▪ concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities, and</li> <li>▪ that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.</li> </ul>
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**Principle 6: Respect the rights of security holders**

**Recommendation 6.1**

<p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Yes</p>	<p>Website Disclosure Policy, website</p>	<p>The Company's website includes the following.</p> <ul style="list-style-type: none"> <li>▪ Corporate Governance policies, procedures, charters, programmes, assessments, codes and frameworks.</li> <li>▪ The names and biographical details of each of its directors and senior executives.</li> <li>▪ The Company's Constitution.</li> <li>▪ Copies of annual, half yearly and quarterly reports.</li> <li>▪ ASX announcements.</li> <li>▪ Copies of notices of meetings of security holders.</li> <li>▪ Media releases.</li> <li>▪ Overview of the Company's current business, structure and history.</li> <li>▪ Details of upcoming meetings of security holders.</li> <li>▪ Summary of the terms of the securities on issue.</li> </ul>
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Principle/recommendation	Compliance	Reference	Commentary
<b>Recommendation 6.1 continued</b>			
			<ul style="list-style-type: none"> <li>▪ Historical market price information of the securities on issue.</li> <li>▪ Contact details for the share registry and media enquiries.</li> <li>▪ Share registry key security holder forms.</li> </ul>
<b>Recommendation 6.2</b>			
A listed entity should design and implement an investor relations programme to facilitate effective two-way communication with investors.	Yes	Shareholder Communication Policy, Social Media Policy, website	<p>The Company respects the rights of its shareholders and, to facilitate the effective exercise of those rights, the Company is committed to:</p> <ul style="list-style-type: none"> <li>▪ communicating effectively with shareholders through releases to the market via the ASX, information mailed to shareholders and the general meetings of the Company;</li> <li>▪ giving shareholders ready access to balanced and understandable information about the Company and corporate proposals, and</li> <li>▪ requesting that the external auditor attend the AGM and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report of future annual reports.</li> </ul> <p>The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.</p>
<b>Recommendation 6.3</b>			
A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	Shareholder Communication Policy, website	<p>The Company respects the rights of its shareholders and, to facilitate the effective exercise of those rights the Company is committed to making it easy for shareholders to participate in shareholder meetings of the Company. The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.</p>
<b>Recommendation 6.4</b>			
A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Shareholder Communication Policy, website	Shareholders are regularly given the opportunity to receive communications electronically.

Principle/recommendation	Compliance	Reference	Commentary
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**Principle 7: Recognise and manage risk**

**Recommendation 7.1**

<p>The board of a listed entity should:</p> <p>a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors, and</li> <li>2) is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>1) the charter of the committee;</li> <li>2) the members of the committee, and</li> <li>3) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, or</li> </ol> <p>b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>No</p>	<p>Risk Management Policy, website</p>	<p>The board has not established a separate risk committee and therefore it is not structured in accordance with Recommendation 7.1. Given the current size and composition of the board, the board believes that there would be no efficiencies gained by establishing a separate risk committee. Accordingly, the board performs the role of Risk Committee. Items that are usually required to be discussed by a Risk Committee are discussed at a separate meeting when required. When the board convenes as the Risk Committee, it carries out those functions which are delegated to it in the Company's Risk Committee Charter. The board deals with any conflicts of interest that may occur when convening in the capacity of the Risk Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.</p> <p>The board as a whole did not meet as the Risk Committee during the year. Risk identification and risk management discussions occurred at several board meetings throughout the year. To assist the board to fulfil its function as the Risk Committee, the Company has adopted a Risk Management Policy.</p>
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Principle/recommendation	Compliance	Reference	Commentary
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<b>Recommendation 7.2</b>			
<p>The board or a committee of the board should:</p> <p>a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound, and</p> <p>b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	Risk Management Policy, website	<p>The board has adopted a Risk Management Policy that sets out the Company’s risk profile. Under the policy, the board is responsible for approving the Company’s policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control. Under the policy, the board delegates day-to-day management of risk to the managing director, who is responsible for identifying, assessing, monitoring and managing risks. The managing director is also responsible for updating the Company’s material business risks to reflect any material changes, with the approval of the board.</p> <p>In fulfilling the duties of risk management, the managing director may have unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter he/she believes appropriate, with the prior approval of the board.</p> <p>In addition, the following risk management measures have been adopted by the board to manage the— Company’s material business risks.</p> <ul style="list-style-type: none"> <li>▪ The board has established authority limits for management, which, if proposed to be exceeded, require prior board approval.</li> <li>▪ The board has adopted a compliance procedure for the purpose of ensuring compliance with the Company’s continuous disclosure obligations.</li> <li>▪ The board has adopted a corporate governance manual that contains other policies to assist the Company in establishing and maintaining its governance practices.</li> </ul> <p>During the year, management regularly reported to the board on categories of risks affecting the Company as part of the Company’s systems and processes for managing material business risks, including operational, financial reporting, sovereignty and market-related risks.</p> <p>In addition, the board has adopted the following risk management measures to manage the Company’s material business risks.</p>

Principle/recommendation	Compliance	Reference	Commentary
<b>Recommendation 7.2 continued</b>			
			<ul style="list-style-type: none"> <li>▪ The board has established authority limits for management that, if proposed to be exceeded, require prior board approval.</li> <li>▪ The board has adopted a compliance procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations.</li> <li>▪ The board has adopted a corporate governance manual that contains other policies to assist the Company in establishing and maintaining its governance practices.</li> </ul> <p>During the year, management regularly reported to the board on categories of risk affecting the Company as part of the Company's systems and processes for managing material business risks, including operational, financial reporting, sovereignty and market-related risks.</p>
<b>Recommendation 7.3</b>			
<p>A listed entity should disclose:</p> <p>a) if it has an internal audit function, how that function is structured and what role it performs, or</p> <p>b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	No	Audit and Risk Committee Charter, website	<p>The board performs the role of Audit Committee. When the board convenes as the Audit Committee, it carries out those functions delegated to it in the Company's Audit Committee Charter, which include reviewing the Company's internal financial control system. Due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function, the expense of an independent internal auditor is not considered appropriate.</p>
<b>Recommendation 7.4</b>			
<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	Corporate Governance Statement	<p>The Company has considered its economic, environmental and social sustainability risks by way of internal review and has concluded that it is not subject to material economic, environmental and social sustainability risks.</p>

Principle/recommendation	Compliance	Reference	Commentary
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**Principle 8: Remunerate fairly and responsibly**

**Recommendation 8.1**

<p>The board of a listed entity should</p> <p>a) have a remuneration committee that:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors, and</li> <li>2) is chaired by an independent director, and</li> <li>3) discloses the charter of the committee and the members of the committee,</li> <li>4) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, or</li> </ol> <p>b) if it does not have a Remuneration Committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>No</p>	<p>Remuneration Committee Charter, Independent Professional Advice Policy, website</p>	<p>The board has not established a separate Remuneration Committee and therefore is not structured in accordance with Recommendation 8.1. Given the current size and composition of the board, the board believes that no efficiencies would be gained by establishing a separate Remuneration Committee. Accordingly, the board performs the role of Remuneration Committee. Items that are usually required to be discussed by a Remuneration Committee are discussed at a separate meeting when required. When the board convenes as the Remuneration Committee, it carries out those functions delegated to it in the Company's Remuneration Committee Charter. The board deals with any conflicts of interest that may occur when convening in the capacity of the Remuneration Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.</p> <p>The board as a whole met as the Remuneration Committee once during the year and all board members were in attendance. To assist the board to fulfil its function as the Remuneration Committee, the Company has adopted a Remuneration Committee Charter that describes the role, composition, functions and responsibilities of the Remuneration Committee.</p> <p>To assist directors with independent judgement, it is the board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the chair for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.</p>
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Principle/recommendation	Compliance	Reference	Commentary
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**Recommendation 8.2**

<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>Yes</p>	<p>Remuneration Policy, website</p>	<p>Details of remuneration, including the Company's policy on remuneration, are contained in the Remuneration Report that forms part of the Annual Report. The remuneration of non-executive directors is set by reference to payments made by other companies of similar size and industry, and by reference to the director's skills and experience. Given the Company is at an early stage of development, and the financial restrictions placed on it, the Company may consider it appropriate to issue unlisted options to non-executive directors, subject to obtaining the relevant approvals. The Remuneration Policy is subject to annual review. All of the directors' option holdings are fully disclosed. Executive pay and rewards consist of a base salary and performance incentives. Long-term performance incentives may include options granted at the discretion of the board and subject to obtaining the relevant approvals. The grant of options is designed to recognise and reward efforts, as well as to provide additional incentive, and may be subject to the successful completion of performance hurdles. Executives are offered a competitive level of base pay at market rates (for comparable companies) and are reviewed annually to ensure market competitiveness.</p>
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**Recommendation 8.3**

<p>A listed entity that has an equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> <li>a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) that limit the economic risk of participating in the scheme, and</li> <li>b) disclose that policy or a summary of it.</li> </ul>	<p>Yes</p>	<p>Remuneration Policy, website</p>	<p>Executives and non-executive directors are prohibited from entering into transactions or arrangements that limit the economic risk of participating in unvested entitlements.</p>
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