

MALLEE RESOURCES LIMITED
ACN 124 943 728
(Company)

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at 14 October 2022 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company will, as at the date it is re-admitted to the official list of the ASX, follow the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations – 4th Edition (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation.

The Company has adopted a Corporate Governance Plan which provides the written terms of reference for the Company's corporate governance duties.

The Company's Corporate Governance Plan is available on the Company's website at www.malleeresources.com.au.

| RECOMMENDATIONS (4TH EDITION) | COMPLY | EXPLANATION |
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| <i>Principle 1: Lay solid foundations for management and oversight</i> | | |
| Recommendation 1.1 A listed entity should have and disclose a board charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management. | YES | The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management. The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website. |

| RECOMMENDATIONS (4 TH EDITION) | COMPLY | EXPLANATION |
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| <p>Recommendation 1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a Director; and</p> <p>(a) 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 | <p>(a) The Company has guidelines for the appointment and selection of the Board and senior executives in its Corporate Governance Plan. The Company's Remuneration and Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the Remuneration and Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director. In the event of an unsatisfactory check, a Director is required to submit their resignation.</p> <p>(b) Under the Remuneration and Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p> |
| <p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p> | YES | <p>The Company's Remuneration and Nomination Committee Charter requires the Committee (or, in its absence, the Board) to ensure that each Director and senior executive is personally a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company has written agreements with each of its Directors and senior executives.</p> |
| <p>Recommendation 1.4</p> <p>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.</p> | YES | <p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p> |

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| <p>Recommendation 1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each</p> | <p>PARTIALLY</p> | <p>(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish, achieve and measure diversity objectives, including in respect of gender diversity. The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.</p> <p>(b) The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to continually monitor both the objectives if any have been set and the Company's progress in achieving them. Consistent with the Company's policy of non-discrimination, the Board has chosen not to set specific measurable targets for gender diversity.</p> <p>(c) The Company recognises the benefits arising from employee and board diversity, including accessing different perspectives and ideas and benefitting from a greater pool of talent. The Company is committed to workplace diversity through acting in fairness and without prejudice.</p> <p>Factors such as gender, race, age or disability are irrelevant and are not taken into account when making employment decisions. In all cases, the person most suited to the position is selected based on their skills and qualifications without bias or prejudice.</p> <p>Consistent with the Company's policy of non-discrimination, the Board has chosen not to set specific measurable targets for gender diversity.</p> <p>The Company provides the following disclosure in respect of the gender composition of its board, employees and contractors at the date of this statement:</p> <table border="1" data-bbox="1317 1177 2141 1433"> <tr> <td>No. of female board members</td> <td>0</td> <td>0%</td> </tr> <tr> <td>No. of female employees</td> <td>20</td> <td>13%</td> </tr> <tr> <td>No. of female employees in senior positions*</td> <td>3</td> <td>25%</td> </tr> <tr> <td>No. of female contractors</td> <td>8</td> <td>62%</td> </tr> <tr> <td>No. of female contractors in senior positions *</td> <td>1</td> <td>100%</td> </tr> </table> | No. of female board members | 0 | 0% | No. of female employees | 20 | 13% | No. of female employees in senior positions* | 3 | 25% | No. of female contractors | 8 | 62% | No. of female contractors in senior positions * | 1 | 100% |
| No. of female board members | 0 | 0% | | | | | | | | | | | | | | | |
| No. of female employees | 20 | 13% | | | | | | | | | | | | | | | |
| No. of female employees in senior positions* | 3 | 25% | | | | | | | | | | | | | | | |
| No. of female contractors | 8 | 62% | | | | | | | | | | | | | | | |
| No. of female contractors in senior positions * | 1 | 100% | | | | | | | | | | | | | | | |

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| gender within a specified period. | | * Defined as Manager level or above |
| <p>Recommendation 1.6</p> <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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | YES | <p>(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>(b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process. No performance evaluations were undertaken during the year due to the Board's focus on securing a new project and then completing the acquisition of the Avebury nickel project</p> |
| <p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | YES | <p>(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director.</p> <p>The applicable processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>(b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting</p> |

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| | | <p>period. The Company intends to complete performance evaluations in respect of the senior executives (if any) for each financial year in accordance with the applicable processes. No performance evaluations were undertaken during the year due to management's focus on securing a new project and then completing the acquisition of Avebury.</p> |
| <p>Principle 2: Structure the Board to be effective and add value</p> | | |
| <p>Recommendation 2.1 The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to 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>PARTIALLY</p> | <p>(a) The Company does have a Remuneration and Nomination Committee. The Company's Remuneration and Nomination Committee Charter, which is available on the Company's website, provides that, where possible, the Remuneration and Nomination Committee should be comprised of at least three members, a majority of whom are independent Directors, and which should be chaired by an independent Director. The Remuneration and Nomination Committee is currently comprised of Jeffrey Moore and Paul Arndt , who are not considered to be independent directors. As the Company does not have any independent directors, the Company cannot comply with all the recommendations in respect of the composition of the Remuneration and Nomination Committee at this time. The members of the Remuneration and Nomination Committee, their relevant qualifications and experience, the number of times the committee met during each financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>(b) The Company has a Remuneration and Nomination Committee.</p> |
| <p>Recommendation 2.2 A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently</p> | <p>YES</p> | <p>Under the Remuneration and Nomination Committee Charter (in the Company's Corporate Governance Plan), the Remuneration and Nomination Committee (or, in its absence, the Board) is required to prepare a Board skills matrix setting out the mix of skills that the Board</p> |

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|---|-----------------|---|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|----------------|-----------|---|---|---|---|--|---|-------------|---|---|---|--|---|---|---------------|---|---|---|---|--|---|------------|---|---|---|---|--|---|
| <p>has or is looking to achieve in its membership.</p> | | <p>currently has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills to discharge its obligations effectively and to add value and to ensure the Board has the ability to deal with new and emerging business and governance issues.</p> <p>The Company has a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p> <p>The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report.</p> <p>The Board Skills Matrix is as follows:</p> <table border="1" data-bbox="1214 683 2145 1023"> <thead> <tr> <th></th> <th>Capital Markets</th> <th>Resource Industry</th> <th>Offshore Projects</th> <th>Mining/ Geology</th> <th>Finance Accounting</th> <th>Listed Company</th> </tr> </thead> <tbody> <tr> <td>John Lamb</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> </tr> <tr> <td>Rowan Caren</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> <td>√</td> </tr> <tr> <td>Jeffrey Moore</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> </tr> <tr> <td>Paul Arndt</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td></td> <td>√</td> </tr> </tbody> </table> | | Capital Markets | Resource Industry | Offshore Projects | Mining/ Geology | Finance Accounting | Listed Company | John Lamb | √ | √ | √ | √ | | √ | Rowan Caren | √ | √ | √ | | √ | √ | Jeffrey Moore | √ | √ | √ | √ | | √ | Paul Arndt | √ | √ | √ | √ | | √ |
| | Capital Markets | Resource Industry | Offshore Projects | Mining/ Geology | Finance Accounting | Listed Company | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| John Lamb | √ | √ | √ | √ | | √ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rowan Caren | √ | √ | √ | | √ | √ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jeffrey Moore | √ | √ | √ | √ | | √ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Paul Arndt | √ | √ | √ | √ | | √ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Recommendation 2.3</p> <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 or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position or relationship in question and an explanation of why the Board is of that</p> | <p>YES</p> | <p>(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Board considers there are no independent Directors.</p> <p>Mr Lamb and Mr Caren are executives of the Company.</p> <p>Mr Moore was previously employed by the Company in an executive capacity during the past three years. He has also received performance rights.</p> <p>Mr Arndt was, until July 2022, Managing Director of Perilya Limited which was previously the Company's largest shareholder. As he is no longer employed by Perilya Limited and Perilya no longer holds a greater than 10% interest in the Company it is intended that Mr Arndt will be considered to be</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| <p>opinion; and</p> <p>(c) the length of service of each Director</p> | | <p>an independent director in future periods.</p> <p>(b) There are no independent Directors and so this is not applicable.</p> <p>(c) The Company's Annual Report discloses the length of service of each Director, as at the end of each financial year.</p> |
| <p>Recommendation 2.4</p> <p>A majority of the Board of a listed entity should be independent Directors.</p> | NO | <p>The Company's Board Charter requires that, where practical, the majority of the Board should be independent.</p> <p>The Board comprises a total of four directors of whom none are considered to be independent. As such, independent directors currently do not comprise the majority of the Board.</p> |
| <p>Recommendation 2.5</p> <p>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.</p> | PARTIALLY | <p>The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.</p> <p>The Chair of the Company is not an independent Director.</p> <p>The Chair of the Company is not the CEO/Managing Director.</p> <p>The Board considers that the Company is not currently of a size and scale, nor are its affairs of such complexity to necessitate the appointment of an independent Chair.</p> |
| <p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.</p> | YES | <p>In accordance with the Company's Board Charter, the Remuneration and the Nomination Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development including receiving briefings on material developments in laws, regulations and accounting standards relevant to the Company.</p> |
| <p>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</p> | | |
| <p>Recommendation 3.1</p> <p>A listed entity should articulate and disclose its values.</p> | YES | <p>(a) The Company and its subsidiary companies (if any) are committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board, management and employees are dedicated to high ethical</p> |

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| | | <p>standards and recognise and support the Company's commitment to compliance with these standards.</p> <p>(b) The Company's values are set out in its Code of Conduct (which forms part of the Corporate Governance Plan) and are available on the Company's website. All employees are given appropriate training on the Company's values and senior executives will continually reference such values.</p> |
| <p>Recommendation 3.2 A listed entity should:</p> <p>(a) have and disclose a code of conduct for its Directors, senior executives and employees; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.</p> | YES | <p>(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees.</p> <p>(b) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on the Company's website. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board.</p> |
| <p>Recommendation 3.3 A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(a) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.</p> | YES | <p>The Company's Whistleblower Protection Policy (which forms part of the Corporate Governance Plan) is available on the Company's website. Any material breaches of the Whistleblower Protection Policy are to be reported to the Board or a committee of the Board.</p> |
| <p>Recommendation 3.4 A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the Board or committee of the Board is informed of any material breaches of that policy.</p> | YES | <p>The Company's Anti-Bribery and Anti-Corruption Policy (which forms part of the Corporate Governance Plan) is available on the Company's website. Any material breaches of the Anti-Bribery and Anti-Corruption Policy are to be reported to the Board or a committee of the Board.</p> |
| <p>Principle 4: Safeguard the integrity of corporate reports</p> | | |
| <p>Recommendation 4.1 The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> | PARTIALLY | <p>(a) The Company has an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit</p> |

| RECOMMENDATIONS (4 TH EDITION) | COMPLY | EXPLANATION |
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| <p>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, who is not the Chair of the Board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) 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; or</p> <p>(b) 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>the Company). The Audit and Risk Committee Charter provides that, where possible, the Audit and Risk Committee should be comprised of at least three members (all of whom should be non-executive Directors), the majority of the Committee should be independent Directors and the Committee should be chaired by an independent Director who is not the Chair.</p> <p>The Audit and Risk Committee is currently comprised of Jeffrey Moore and Paul Arndt, who are not considered to be independent directors (refer to commentary under section 2.3 above). As the Company does not currently have any independent directors, the Company cannot comply with all of the recommendations in respect of the composition of the Audit and Risk Committee at this time.</p> <p>The members of the Audit and Risk Committee, their relevant qualifications and experience, the number of times the committee met during each financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>(b) The Company has an Audit and Risk Committee.</p> |
| <p>Recommendation 4.2</p> <p>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 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</p> | <p>YES</p> | <p>The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off in accordance with the recommendations.</p> <p>The Company obtained a sign off in accordance with the recommendations for each of its financial statements during the financial year.</p> |

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| effectively. | | |
| <p>Recommendation 4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p> | YES | <p>The Company complies with this Recommendation 4.3.</p> <p>The Audit and Risk Committee reviews and makes recommendations to the Board for the approval of all financial reports.</p> <p>Where a report does not require an audit or review by an external auditor, the report is prepared by the CFO with assistance from the GM Finance/Financial Controller and then reviewed by the CEO and Executive Director. Once the Executive Director and CEO have reviewed and is happy with the report content, it is circulated to the full board for comment and approval prior to lodging with the ASX.</p> |
| Principle 5: Make timely and balanced disclosure | | |
| <p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p> | YES | <p>(a) The Company's Corporate Governance Plan details the Company's Continuous Disclosure policy.</p> <p>(b) The Corporate Governance Plan, which incorporates the Continuous Disclosure policy, is available on the Company's website.</p> |
| <p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p> | YES | Under the Company's Continuous Disclosure Policy (which forms part of the Corporate Governance Plan), all members of the Board will receive material market announcements promptly after they have been made. |
| <p>Recommendation 5.3</p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p> | YES | All substantive investor or analyst presentations will be released on the ASX Markets Announcement Platform ahead of such presentations. |
| Principle 6: Respect the rights of security holders | | |
| <p>Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p> | YES | Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website. |

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| <p>Recommendation 6.2</p> <p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p> | YES | <p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.</p> |
| <p>Recommendation 6.3</p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p> | YES | <p>Shareholders are encouraged to participate at all general meetings and AGMs of the Company.</p> |
| <p>Recommendation 6.4</p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p> | YES | <p>All substantive resolutions at securityholder meetings are decided by a poll rather than a show of hands.</p> |
| <p>Recommendation 6.5</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p> | YES | <p>The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholders queries are referred to the Company Secretary at first instance.</p> |
| <p>Principle 7: Recognise and manage risk</p> | | |
| <p>Recommendation 7.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director,</p> | PARTIALLY | <p>(a) The Company has an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee. The Audit and Risk Committee Charter provides that, where possible, the Audit and Risk Committee should be comprised of at least three members (all of whom should be non-executive Directors), the majority of the Committee should be independent Directors and the Committee should be chaired by an</p> |

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| <p>and disclose:</p> <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) 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 <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p> | | <p>independent Director who is not the Chair. The Audit and Risk Committee is currently comprised of Jeffrey Moore and Paul Arndt who are not considered to be independent directors (refer to commentary in section 2.3 above). As the Company does not currently have any independent directors, the Company cannot comply with all of the recommendations in respect of the composition of the Audit and Risk Committee at this time.</p> <p>The members of the Audit and Risk Committee, their relevant qualification and experience, the number of times the committee meets during each financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>(b) The Company has an Audit and Risk Committee.</p> |
| <p>Recommendation 7.2</p> <p>The Board or a committee of the Board should:</p> <ul style="list-style-type: none"> (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and (b) disclose in relation to each reporting period, whether such a review has taken place. | YES | <ul style="list-style-type: none"> (a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board. (b) The Company's Corporate Governance Plan requires the Company to disclose at least annually whether such a review of the Company's risk management framework has taken place. The Company has developed a risk matrix to identify and manage key risks. The review of the risk management framework was commenced but was not completed at the time of this Corporate Governance Statement. |
| <p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating | YES | <ul style="list-style-type: none"> (a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor and periodically review the need for an internal audit function, as well as assessing the performance and objectivity of any internal audit procedures that may be in place. (b) The Company does not have an internal audit function. The Company believes that the risk management framework it has in place will be effective for a company of its scale and |

| RECOMMENDATIONS (4 TH EDITION) | COMPLY | EXPLANATION |
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| and continually improving the effectiveness of its governance, risk management and internal control processes. | | complexity, subject to the annual review being performed. |
| <p>Recommendation 7.4</p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p> | YES | <p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose whether it has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks.</p> <p>Following the acquisition of the Avebury Nickel mine the Company is exposed to environmental and social risks. It has employed a Safety Health Environment and Community Manager and a Community Relations Officer based at the Avebury Nickel mine in Tasmania during the last two months to manage these risks. The Company will endeavour to the highest standards of environmental management in line with its environmental management plan and obligations.</p> |
| Principle 8: Remunerate fairly and responsibly | | |
| <p>Recommendation 8.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, and disclose:</p> <p>(iii) the charter of the committee;</p> | PARTIALLY | <p>(a) The Company has a Remuneration and Nomination Committee. The Company's Corporate Governance Plan contains a Remuneration and Nomination Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company). The Remuneration and Nomination Committee Charter provides that, where possible, the Remuneration and Nomination Committee should be comprised of at least three members (all of whom should be non-executive Directors), the majority of the Committee should be independent Directors and the Committee should be chaired by an independent Director.</p> |

| RECOMMENDATIONS (4 TH EDITION) | COMPLY | EXPLANATION |
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| <p>(iv) the members of the committee; and</p> <p>(v) 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</p> <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>The Remuneration and Nomination Committee is currently comprised of Jeffrey Moore and Paul Arndt and chaired by Jeffrey Moore, each of whom are not considered to be independent directors (refer to commentary in section 2.3 above). As the Company does not currently have any independent directors, the Company cannot comply with all of the recommendations in respect of the composition of the Remuneration and Nomination Committee at this time.</p> <p>The members of the Remuneration and Nomination Committee, the number of times the committee met during each financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>(b) The Company has a Remuneration and Nomination Committee.</p> |
| <p>Recommendation 8.2</p> <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> | YES | <p>The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in the remuneration report contained in the Company's Annual Report as well as being disclosed on the Company's website.</p> |
| <p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p> | YES | <p>(a) The Company has an equity-based remuneration scheme. The Company has a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p> <p>(b) A copy of the policy is included within the Company's Trading Policy.</p> |