

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

EVE Investments Limited

ABN / ARBN:

89 106 523 611

Financial year ended:

30 June 2019

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>


This URL on our website: [eveinvestments.com.au/corporate-governance](http://eveinvestments.com.au/corporate-governance)

The Corporate Governance Statement is accurate and up to date as at 16 September 2019 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 16 September 2019

Sign Here:



Company Secretary

Print Name: Steven Jackson

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at <a href="http://eveinvestments.com.au/corporate-governance">eveinvestments.com.au/corporate-governance</a>	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
1.4	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which 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 either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole 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>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
1.6	<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>	<p>... the evaluation process referred to in paragraph (a):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	
		<p>... and the information referred to in paragraph (b):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; 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>	<p>... the evaluation process referred to in paragraph (a):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	
		<p>... and the information referred to in paragraph (b):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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>... the fact that we do not have a nomination committee and the processes we employ 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><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	
2.2	<p>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.</p>		<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 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 (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
2.4	A majority of the board of a listed entity should be independent directors.		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.5	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
2.6	A listed entity should have a program 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> at <a href="http://eveinvestments.com.au/corporate-governance">eveinvestments.com.au/corporate-governance</a>	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) 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>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
4.2	<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, 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.</p>	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
4.3	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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> at <a href="http://eveinvestments.com.au/corporate-governance">eveinvestments.com.au/corporate-governance</a>	
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://eveinvestments.com.au/corporate-governance">eveinvestments.com.au/corporate-governance</a>	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
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> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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 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>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	
7.2	<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>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the 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>	<p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	



Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.4	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.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our Corporate Governance Statement	

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	
8.3	<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>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	



The Board are responsible for the overall strategy, governance and performance of EVE Investments Limited (“the Company”). The Board has adopted a framework which it considers to be suitable given the size, history and strategy of the Company.

In March 2014, the Australian Securities Exchange (“ASX”) Corporate Governance Council released the third edition of its Corporate Governance Principles and Recommendations (“Recommendations”). To the extent they are applicable, and given its circumstances, the Company has adopted the recommendations of the third edition. Where the Company’s governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. Where the Company’s governance practices depart from a recommendation, the Board has offered a disclosure and reason for the departure from the recommendation, in compliance with the “if not, why not” regime.

This statement summarises the Company’s compliance with the new Recommendations.

## **PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT**

### **Recommendation 1.1 Role of Board and Management**

The Board considers that the essential responsibility of directors is to oversee the Company’s activities for the benefit of its shareholders, employees and other stakeholders and to protect and enhance shareholder value. Responsibility for management of the Company’s business is delegated to the executive directors, who are accountable to the Board.

Further, the Board takes specific responsibility for:

- Contributing to the development of and approving corporate strategy;
- Appointing, assessing the performance of and, if necessary removing the executive directors;
- Reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives;
- Overseeing and monitoring:
  - Organisational performance and the achievement of strategic goals and objectives
  - Compliance with the Company’s code of conduct
  - Progress of major capital expenditures and other corporate projects including acquisitions, mergers and divestments;
- Monitoring financial performance including approval of the annual, half yearly and quarterly reports and liaison with the auditor;
- Ensuring there are effective management processes in place, including reviewing and ratifying systems of risk identification and management, ensuring appropriate and adequate internal control processes, and that monitoring and reporting procedures for these systems are effective;
- Enhancing and protecting the Company’s reputation;
- Approving major capital expenditure, capital management, acquisitions and divestments;
- Reporting to shareholders;
- Appointment of directors; and

- Any other matter considered desirable and in the interest of the Company.

The Board is responsible for the overall Corporate Governance of the Company including the strategic direction, establishing goals for management and monitoring the achievement of these goals. In broad terms, the Board is accountable to the shareholders and must ensure that the Company is properly managed to protect and enhance shareholders' wealth and other interests. The Board Charter sets out the role and responsibilities of the Board within the governance structure of the Company and its related bodies corporate (as defined in the Corporations Act).

Senior executives are responsible for the ongoing management of the Company's operations and reporting to the Board. They are accountable for all functions that are necessary to the operations of the Company and not specifically reserved to the Board. Senior executives' performance is reviewed on a regular basis by the Board.

A copy of the Board Charter is available on the Company's website.

#### **Recommendation 1.2 Director Checks**

The Company has in place a policy that it will perform appropriate checks on all potential directors. This will potentially include undertaking background and other checks before appointing a person or putting them forward to shareholders as a candidate for election as a director. The Company also provides information on the length of time in office for those seeking re-election as well information about relevant qualifications, skills and experiences.

#### **Recommendation 1.3 Written Agreement with each Director and Senior Executive**

All non-executive directors are engaged by the Company under letters of appointment and senior executives are engaged under executive service agreements. These agreements detail the roles and responsibilities of the individual.

Details of the letters of appointment and service contracts for senior executives are provided in the Remuneration Report within the Annual Report.

#### **Recommendation 1.4 Company Secretary**

The appointment and removal of a Company Secretary is a matter reserved for decision by the Board.

The Company Secretary has a direct line of communication with all directors, and is responsible for supporting the proper functioning of the Board which includes providing advice on governance and procedural issues, the preparation of Board papers and minutes, attendance at Board meetings and maintaining policies and procedures.

#### **Recommendation 1.5 Diversity Policy**

The Company has not established a formal policy in relation to diversity. The board believes that given the size and nature of the Company's activities, and the existing diversity profile of the organisation, that an informal approach is appropriate at this time. Senior management roles and positions are filled by the best candidates available without discrimination. The Company aims to increase diversity in senior appointments as positions and appropriate candidates become available.

The Company is committed to a workplace environment that promotes diversity and recognises the key competitive benefits of recruiting, developing and retaining a talented, diverse and motivated workforce. The board recognises the benefits of diversity at board level, senior management level and within the organisation generally and recognises the organisational strengths, deeper problem solving ability and opportunity for innovation that diversity may bring.

The Company will review this position annually and, as activities expand, plans to establish a formal diversity policy and set measurable objectives for achieving diversity in relation to gender.

The proportion of women employees in the organisation as of 30 June 2019 is:

In whole organisation	47%
In senior executive positions	0%
On the Board	0%

#### **Recommendation 1.6 Board Performance Assessment**

Membership of the Board, its activities and composition, is subject to on-going review. Given the size of the Company and the management team, this process is managed informally by the directors. Improvement in Board processes and effectiveness is a continuing objective and the primary purpose of Board evaluation is to identify ways to improve performance.

The Board has not conducted a formal performance assessment of the Board, including its Committees and individual directors, during the year. The Company will look to conduct a formal evaluation in the future.

#### **Recommendation 1.7 Performance Evaluation of Senior Executives**

The performance of all directors is reviewed by the Chairman on an ongoing basis and any director whose performance is considered unsatisfactory is asked to retire. The Chairman's performance is reviewed by the other board members.

The Company has established guidelines to identify the measurable and qualitative indicators of the director's performance during the course of the year. Those guidelines include:

- Attendance at all board meetings. Missing more than three consecutive meetings without reasonable excuse will result in that director's position being reviewed; and
- Attendance at the Company's Shareholder Meetings. Non-attendance without reasonable excuse will result in that director's position being reviewed.

There has been no formal performance evaluation of senior executives during the year. The Company will look to conduct a formal evaluation in the future.

### **PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE**

#### **Recommendation 2.1 Nominations Committee**

The Company does not currently have a separate Nomination Committee. The duties and responsibilities typically delegated to such a committee are considered to be the responsibility of the full Board, given the size and nature of the Company's activities and as such, the Board does not believe that any marked efficiencies or enhancements would be achieved by the creation of a separate nomination committee.

#### **Recommendation 2.2 Board Skills Matrix**

The Company supports the appointment of directors who bring a wide range of business and professional skills and experience. While the Company does not have a formal skills matrix it does consider directors attributes prior to any appointment. The qualifications, skills and experience for each director are included in the Directors' Report in the Annual Report. The Company will review the requirement for a skills matrix as it grows to ensure that it is in the best position to add expertise and experience that is relevant to the Company.

#### **Recommendation 2.3 Directors' Independence**

An independent director is defined as a director that is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its shareholders.

The date of appointment and independence of each director is as follows. A profile of each director and their professional skills and expertise is included in the Directors' Report of the Annual Report.

<b>Name</b>	<b>Position</b>	<b>Date of Appointment</b>	<b>Independent</b>
George Cameron-Dow	Non-Executive Chairman	31 March 2016	Yes
Gregory (Bill) Fry	Executive Director	19 August 2009	No
Alasdair Cooke	Non-Executive Director	8 January 2007	No
Michael Pixley	Non-Executive Director	16 October 2017	No

#### **Recommendation 2.4 Majority of Directors Independent**

The Company does not presently meet the requirements of Recommendation 2.4 as there is not a majority of independent directors. The Board believes this current structure is best suited to enable the Company to deliver shareholder value and manage the operations for a company of its size. The Company will continue to review its Board structure as it grows to ensure that it had the best structure in place to deliver value to its shareholders, key stakeholders and the communities in which it operates.

#### **Recommendation 2.5 Chairman and Chief Executive Officer / Managing Director**

The Company maintains a separation between the role of Chairman and the role of Chief Executive Officer. Day to day management is the responsibility of the Executive Director, Mr Gregory Fry and the role of Chairman is filled by Mr George Cameron-Dow.

### **Recommendation 2.6 Company Induction and Professional Development of Directors**

The Board's induction program provides incoming directors with information that will enable them to carry out their duties in the best interests of the Company, as well as educating them in the Company's policies and procedures.

The Company encourages directors to develop and maintain the skills and knowledge needed to perform their role as Directors.

### **PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY**

#### **Recommendation 3.1 Code of Conduct**

The Company has a formal Code of Conduct which establishes the standards of behaviour expected of Directors and employees of the Company.

The Code of Conduct is based on the following principles:

- Act with honesty and integrity
- Respect the law and act accordingly
- Respect confidentiality and not misuse information
- Value and maintain professionalism
- Avoid conflicts of interest
- Strive to be good corporate citizens
- Have respect for each other

All directors and employees have a responsibility to report any suspected non-compliance with the Code of Conduct, during the period there were no instances reported to the Board or management.

A copy of the Code of Conduct is available on the Company's website.

### **PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING**

#### **Recommendation 4.1 Audit Committee**

The Board has established an Audit Committee with a charter that sets out its roles, responsibilities, composition, structure and membership requirements.

The Committee's responsibilities under the charter include the following:

- Oversee the Company's financial reporting
- Reviewing internal control and recommending enhancements;
- Monitoring compliance with Corporations Act 2001, Securities Exchange Listing Rules, matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investment Commission and financial institutions;
- Improving the quality of the accounting function;
- Reviewing external audit reports to ensure that where major deficiencies or breakdowns in controls or procedures have been identified, appropriate and prompt remedial action is taken by management;
- Liaising with the external auditors and ensuring that the annual audit and half-year review are conducted in an effective manner; and
- Reviewing the performance of the external auditors on an annual basis and nomination of auditors is at the discretion of the Board.

Due to the size and structure of the Company, the Audit Committee doesn't fully comply with Recommendation 4.1 as the committee is chaired by the Chairman of the Company and a majority of members are not independent. The Company does meet the requirement for at least three members, all of whom are non-executives.

Name	Position	Independent
George Cameron-Dow	Committee Chairman	Yes
Alasdair Cooke	Member	No
Michael Pixley	Member	No

The relevant qualifications of the committee members forms part of the Director's Report in the Annual Report.

The committee met three times during the year ended 30 June 2019. A copy of the Audit Committee Charter is available on the Company's website.

#### **Recommendation 4.2 Declarations from the CEO and CFO**

The Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) provide a declaration in accordance with section 295A of the Corporations Act to the Board that, in their opinion, the financial records of the Company have been properly maintained and that the Company's financial reports comply with the appropriate accounting standards and present a true and fair view of the Company's financial position and performance and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

#### **Recommendation 4.3 External Auditors**

The Board requires that a representative of the external auditor attend the Company's AGM. The auditor is available to answer shareholder questions about the conduct of the audit, the preparation and content of the auditor's report and the accounting policies adopted by the Company.

### **PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE**

#### **Recommendation 5.1 Continuous Disclosure Policy**

The Company has a formal Continuous Disclosure Policy as required by Recommendation 5.1. This policy was introduced to ensure the Company achieves best practice in complying with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules and ensuring the Company and individual officers do not contravene the Corporations Act or ASX Listing Rules. A full copy of this policy can be found on the Company's website.

The Company is required to immediately tell the ASX once it becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

Therefore, to meet this obligation the Company undertakes to:

- Notify the ASX immediately it becomes aware of any information that a reasonable person would expect to have a material effect on the price and value of the company's securities, unless that information is not required to be disclosed under the listing rules;
- Disclose notifications to the ASX on the Company website following confirmation of the publishing of the information by the ASX; and
- Not respond to market speculation or rumour unless the ASX considers it necessary due to there being, or likely to be, a false market in the Company's securities.

The Executive Director and Company Secretary are responsible for co-ordinating the disclosure requirements. To ensure appropriate procedure all Directors, officers and employees of the Company coordinate disclosures through the Company Secretary, including:

- Media releases;
- Analyst briefings and presentations; and
- The release of reports and operational results.

## **PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS**

### **Recommendation 6.1 Information on Website**

The Company provides information about itself and its governance to investors via its website and has a “Corporate Governance” section where all relevant corporate governance information can be accessed.

The Company’s Constitution, committee charters and relevant Corporate Governance Policies are all listed on the Corporate Governance section of the website.

The Company website also includes copies of its annual reports and financial statements, ASX announcements, Notice of Meetings as well as an overview of the Company’s business activities.

### **Recommendation 6.2 Investor Relations Program**

It is the policy of the Company to communicate effectively with its shareholders by giving them ready access to balanced and understandable information about the Company. The Board aims to ensure that shareholders are kept informed of all major developments affecting the Company. The Company actively engages with shareholders, meeting them on request and responding to any enquires that they make from time to time.

The Company’s full policy on shareholder communication can be found on the Company’s website.

### **Recommendation 6.3 Participation at Meetings of Shareholders**

The Company has policies and procedures in place which enable shareholders to receive the reports and participate in shareholder meetings by attendance or by written communication. The Board seeks to notify all shareholders so they can be fully informed for voting at the AGM. Shareholders can make an election to receive a copy of the Company’s Annual Report by mail; otherwise the Annual Report is available on the Company’s website. Shareholders are encouraged at AGMs to ask questions of directors, senior management as well as the Company’s external auditors who are required to be in attendance.

### **Recommendation 6.4 Electronic Communication**

The Company and its registry have the capability to communicate with shareholders electronically through our website and email. Details are provided on the Company’s website.

## **PRINCIPLE 7: RECOGNISE AND MANAGE RISK**

### **Recommendation 7.1 Risk Committee**

Risk oversight, management and internal control are dealt with on a continuous basis by management and the Board. The Company has an integrated framework of control based on formal procedures and appropriate delegation of financial and other authorities. The executive directors and senior management have responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management. The Board has established a formal policy to effectively recognise and manage risk.

Due to the size and structure of the Company, currently all functions, roles and responsibilities with regard to risk oversight and management and internal control are undertaken by the Board as a whole.

A copy of the Risk Management and Internal Control policy is available on the Company’s website.

### **Recommendation 7.2 Annual Risk Review**

The Company continually reviews its risk management framework as required. The Board is regularly briefed and involved in discussions in relation to risks facing the Company. During the period no formal annual review was conducted.

### **Recommendation 7.3 Internal Audit**

Due to the size and structure of the Company there is currently no formal internal audit function.

The Company’s management periodically undertakes an internal review of financial systems and processes and where systems are developed. The Audit Committee also considers reviews of specific areas and monitors the implementation of system improvements.

### **Recommendation 7.4 Economic, Environmental, Social Sustainability Risks**

The Company continually reviews economic, environmental and social sustainability risks in the areas in which it operates. Risk areas include the impact on the environment through exploration activities, sovereign risk, currency risk and commodity price



risk. During the period there were no risks which the Company considered material, however this is subject to change as circumstances dictate.

### **Principle 8: Remunerate fairly and responsibly**

#### **Recommendation 8.1 Remuneration Committee**

The Board has established a Remuneration Committee with a charter that sets out its roles, responsibilities, composition, structure and membership requirements. The Remuneration Committee is to make recommendations to the Board about the remuneration of executive and non-executive directors as well as senior management of the Company.

Due to the size and structure of the Company, the Audit Committee doesn't fully comply with Recommendation 8.1 as the majority of committee members are not independent, the Chairman of the committee is independent.

<b>Name</b>	<b>Position</b>	<b>Independent</b>
George Cameron-Dow	Committee Chairman	Yes
Alasdair Cooke	Member	No
Michael Pixley	Member	No

The relevant qualifications of the committee members forms part of the Director's Report in the Annual Report.

The committee met once during the year ended 30 June 2019. A copy of the Remuneration Committee Charter is available on the Company's website.

#### **Recommendation 8.2 Disclosure of Remuneration Policies and Practices**

The Remuneration Committee's role is to review and recommend remuneration for directors and senior management, review remuneration policies and practices and incentive schemes in accordance with the Remuneration Committee Charter.

The Company's remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality.

Further details on the Company's remuneration practices with regard to directors are contained within the Remuneration Report which forms part of the Director's Report in the Annual Report.

#### **Recommendation 8.3 Policy on Equity Based Remuneration Scheme**

The Company has a Trading Policy which applies to all directors, employees and consultants. This policy provides a brief summary of the law on insider trading and other relevant laws and establishes a best practice procedure relating to dealing in the Company's securities.

In accordance with the Trading Policy, participants in equity-based remuneration plans are not permitted to enter into any transactions that would limit the economic risk of options or other unvested entitlements.

A copy of the Trading Policy is available on the Company's website.