

**BLACK CAT SYNDICATE LIMITED**

**ACN 620 896 282**

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**CORPORATE GOVERNANCE STATEMENT 2021**

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**TABLE OF CONTENTS**

- 1. Board Charter ..... 3
- 2. Composition of the Board ..... 4
- 3. Audit and Risk Committee Charter ..... 4
- 4. Remuneration Committee Charter ..... 4
- 5. Nomination Committee Charter ..... 4
- 6. Code of Conduct for Directors, Senior Executives and Employees..... 5
- 7. Continuous Disclosure Policy ..... 5
- 8. Share Trading Policy ..... 5
- 9. Directors’ Disclosure Obligations ..... 5
- 10. Shareholder Communications Strategy ..... 5
- 11. Risk Management Policy ..... 5
- 12. Environmental Responsibilities ..... 6
- 13. Diversity policy ..... 6
- 14. Whistleblower policy ..... 7
- 15. Anti-bribery and corruption policy ..... 7
- 16. Compliance with the ASX Recommendations..... 8

The Board is responsible for the overall corporate governance of Black Cat Syndicate Limited (“the Company”), including establishing and monitoring key performance goals. In addition, the Board is committed to attaining standards of corporate governance that are commensurate with the Company's needs. In this regard, the Board has created a framework for managing the Company, including internal controls and a business risk management process. This framework is reflected, in part, in the policies and charters described below.

The Board has adopted and endorses *The ASX Corporate Governance Council Principles and Recommendations (4<sup>th</sup> Edition)* as amended from time to time (“ASX Recommendations”) and has adopted the ASX Recommendations that are considered appropriate for the Company given its size and the scope of its proposed activities. Details of the Company's compliance with the ASX Recommendations (4<sup>th</sup> Edition) are set out below.

Effective 1 July 2020 the Company has adopted amended policies and practices, to comply with where applicable, the recommendations of the 4<sup>th</sup> Edition of the Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition). The updated policies are available for review on the Company's website at [www.blackcatsyndicate.com.au](http://www.blackcatsyndicate.com.au). The Company first reports its compliance with, or departure from, the 4<sup>th</sup> Edition recommendations in this Corporate Governance Statement for the financial year ended 30 June 2021.

In light of the Company's current stage of development, the Board considers that its current composition is appropriate. As the Company's activities change in nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed and may change.

The 2021 Corporate Governance Statement has been adopted by the Board.

### 1. BOARD CHARTER

The Board guides and monitors the business and management of the Company. Under its Charter, the Board is responsible for, amongst other things:

1. Driving the strategic direction of the Company, the allocation of resources to meet objectives and monitoring management performance;
2. Appointing and, if necessary, replacing of the Managing Director and other senior executives;
3. Approving the Company's remuneration framework;
4. Monitoring the timeliness and effectiveness of reporting to Shareholders;
5. Reviewing and ratifying systems of audit, risk management and internal compliance and control, codes of conduct and legal compliance;
6. Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
7. Approving and monitoring the budget and adequacy and integrity of financial and other reporting;
8. Approving the annual, half yearly and quarterly reports;
9. Approving significant changes to the organisational structure;
10. Approving decisions affecting the Company's capital, including determining dividend policy;
11. Recommending to Shareholders the appointment of the external auditor;
12. Ensuring a high standard of corporate governance practice and regulatory compliance; and
13. Procuring appropriate professional development opportunities for Directors.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully informed basis.

## **2. COMPOSITION OF THE BOARD**

Election of Board members is substantially the province of the Shareholders in general meeting.

The current Board of Directors is as follows:

- Mr Paul Chapman Non-Executive Chairman;
- Mr Gareth Solly Managing Director;
- Mr Les Davis Independent Non-Executive Director;
- Mr Philip Crutchfield Independent Non-Executive Director; and
- Mr Tony Polglase Independent Non-Executive Director.

For the purposes of corporate governance reporting the Company's Managing Director, Mr Gareth Solly has been identified as the Chief Executive Officer ("CEO").

Details of the skills and experience of Directors of the Company are included in the Directors' Report section of the 2021 Annual Financial Statements which are available on the Company's website at [www.blackcatsyndicate.com.au](http://www.blackcatsyndicate.com.au).

## **3. AUDIT AND RISK COMMITTEE CHARTER**

The Board has adopted an Audit and Risk Committee Charter which outlines the composition of the committee, its purpose, its responsibilities and requirements of its meetings. In summary, the audit and risk committee is responsible for ensuring the integrity of the Company's financial statements, the effectiveness of financial reporting and liaison with the Company's auditor, and overseeing of the implementation and management of the Company's risk management framework and systems.

Until the size and/or activities of the Company warrant the creation of separate audit and risk committees, the duties of the audit and risk committees will be undertaken by the full Board.

## **4. REMUNERATION COMMITTEE CHARTER**

The Board has adopted a Remuneration Committee Charter which outlines the composition of the committee, its role, its responsibilities, its authority, and requirements of its meetings.

In summary, the remuneration committee is responsible for preparing and reviewing the Company's strategy with regard to remunerating, recruiting, incentivising, retaining and, where appropriate, terminating the Company's executives, Non-Executive Directors and employees.

Until the size and/or activities of the Company warrant the creation of a separate remuneration committee, the duties of a remuneration committee will be undertaken by the full Board.

## **5. NOMINATION COMMITTEE CHARTER**

The Board has adopted a Nomination Committee Charter which outlines the composition of the committee, its role, its responsibilities, its authority, and requirements of its meetings.

The nomination committee is responsible for the identification and recommendation of potential candidates for appointment to the Board after considering current board composition and skill sets and experience deemed appropriate. In addition, the nomination committee will oversee matters of performance appraisal, induction procedures and ongoing education and improvement.

The nomination committee will also undertake performance evaluation of the Board, its Committees, individual Directors and senior executives pursuant to the Company's Performance Evaluation Policy.

Until the size and/or activities of the Company warrant the creation of a separate nomination committee, the duties of a nomination committee will be undertaken by the full Board.

## **6. CODE OF CONDUCT FOR DIRECTORS, SENIOR EXECUTIVES AND EMPLOYEES**

The Board has adopted a Code of Conduct for Directors, senior executives and employees to promote ethical and responsible decision making and execution of their roles and responsibilities.

## **7. CONTINUOUS DISCLOSURE POLICY**

The Company is, subject to the exceptions contained in the Listing Rules, required to disclose to the Australian Securities Exchange (“ASX”) any information concerning the Company which is not generally available and which a reasonable person would expect to have a material impact on the price or value of Shares.

The Company is committed to observing its disclosure obligations under the Corporations Act and the Listing Rules. The Company encourages a culture of openness which is conducive to fulfilment of the Company’s disclosure obligations and creates clear lines of communication and authority with regard to the dissemination of information and continuous disclosure issues. In accordance with this policy, all information provided to the ASX is made available on the Company’s website ([www.blackcatsyndicate.com.au](http://www.blackcatsyndicate.com.au))

## **8. SHARE TRADING POLICY**

The Company has adopted a Share Trading Policy to maintain investor confidence in the integrity of Company’s internal controls and procedures, and to provide guidance on avoiding any breach of insider trading laws.

Under the policy, all Key Management Personnel (which includes Directors) are prohibited from trading in the Company’s securities, subject to exceptional circumstances, during the following periods:

- two weeks prior to and 48 hours after the release of the Company’s Annual Financial Report;
- two weeks prior to and 48 hours after the release of the Company’s Half-Year Financial Report; and
- two weeks prior to and 48 hours after the release of the Company’s Quarterly Reports.

A member of Key Management Personnel, who is in possession of price sensitive information which is not generally available to the market, must not deal in the Company’s securities at any time.

In addition, a member of Key Management Personnel who wishes to trade in the Company’s securities must first obtain the consent of the Chairman. In the event that the Chairman wishes to trade in the Company’s securities, the prior consent of the Board must be obtained.

## **9. DIRECTORS’ DISCLOSURE OBLIGATIONS**

Any change in a Director’s direct or indirect interest in Company securities must be disclosed to the Company so that appropriate disclosure can be made by the Company to the ASX in accordance with the Listing Rules.

## **10. SHAREHOLDER COMMUNICATIONS STRATEGY**

This strategy details how the Company is committed to keeping Shareholders apprised of the Company’s activities, including by providing regular communications that are balanced and understandable, ensuring information is easily accessible, and facilitating Shareholder participation in the Company’s general meetings.

## **11. RISK MANAGEMENT POLICY**

The CEO is primarily responsible for administering this policy, which sets out the way in which various types of risk are to be managed, including by reviews of internal controls, financial reporting, operational activities, investment proposals, environmental and safety risks and continuous improvement.

Material risk matters are reported on and considered at board meetings.

## 12. ENVIRONMENTAL RESPONSIBILITIES

The Company recognises that it has a fundamental requirement to conduct its proposed activities in an environmentally responsible manner. The Company continually develops its environmental management system to ensure legislative compliance, high levels of employee awareness, stakeholder participation when developing project systems, appropriate performance by contractors and continual improvement in respect of environmental protection issues and hazard minimisation.

Environmental matters are reported on as a standing agenda item at all board meetings.

## 13. DIVERSITY POLICY

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled Board and workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, and a work environment that values and utilises the contributions of all employees, irrespective of gender, culture, disability, age or religion.

The Company employs new employees and promotes current employees on the basis of performance, ability and attitude. The Board is continually reviewing its practices with a focus on ensuring that the selection process at all levels within the organisation is formal and transparent and that the workplace environment is open, fair and tolerant.

The Company, in keeping with the recommendations of the Corporate Governance Council provides the following information regarding the proportion of gender diversity in the organisation as at 30 June 2021:

	Proportion of Female / Total Number of Persons Employed
Females employed in the Company as a whole	4 / 19
Females employed in the Company in senior executive positions*	0 / 1
Females appointed as a Director of the Company	0 / 5

\* The Board has determined the Chief Financial Officer to be the only senior executive outside of the Company's Directors.

The recommendations of the Corporate Governance Council relating to reporting require a Board to set measurable objectives for achieving diversity within the organisation, and to report against them on an annual basis. The Company has implemented measurable objectives as follows:

Measurable Objective	Objective Satisfied	Comment
Adoption and promotion of a Formal Diversity Policy.	Yes	The Company has adopted a Formal Diversity Policy which has been made publicly available via the ASX and the Company's website.
To ensure Company policies are consistent with and aligned with the goals of the Diversity Policy.	Yes	The Company's selection, remuneration and promotion practices are consistent with the goals of the Company's Diversity Policy.
To provide flexible work and salary arrangements to accommodate family commitments, study and self-improvement goals, cultural traditions and other personal choices of current and potential employees.	Yes	The Company will, where considered reasonable and where compatible with the Company's operations, accommodate requests for flexible working arrangements.
To implement clear and transparent policies governing reward and recognition practices.	Yes	The Company rewards and promotes based on merit and responsibility as part of its ongoing review processes.

To provide relevant and challenging professional development and training opportunities for all employees.	Yes	The Company seeks to continually encourage self-improvement in all employees, irrespective of seniority, ability or experience, through external and internal training courses, regular staff meetings and relevant on job mentoring.
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The Company has not at this time, implemented measurable objectives regarding the proportion of females to be employed or appointed to Board positions.

The Board will consider the future implementation of gender-based diversity measurable objectives when more appropriate to the size and nature of the Company's operations.

#### **14. WHISTLEBLOWER POLICY**

The Company has adopted a formal Whistleblower policy which is made available on the Company's website ([www.blackcatsyndicate.com.au](http://www.blackcatsyndicate.com.au)).

This policy applies to all directors, officers, employees, consultants and contractors of Black Cat Syndicate Limited (Personnel). This policy also applies, as far as is reasonably achievable, to the Company's service providers, suppliers and third-party contractors.

The purpose of this policy is to encourage the persons to whom the policy applies to raise any concerns or report instances of any potential breach of law, any violations (or suspected violations) of the Company's Code of Conduct or any other legal or ethical concern without the fear of detriment.

#### **15. ANTI-BRIBERY AND CORRUPTION POLICY**

The Company has adopted a formal Anti-bribery and corruption policy in recognition that bribery and corruption act to undermine legitimate business activities, distort competition and may expose the Company, its employees and other stakeholders to significant risks.

The Company provides a safe mechanism pursuant to its Whistleblower Policy to enable and encourage the reporting of any actual, alleged, or perceived, instances of bribery or corruption by any individual to which this policy applies.

A copy of the Anti-bribery and corruption policy is made available on the Company's website ([www.blackcatsyndicate.com.au](http://www.blackcatsyndicate.com.au)).

**16. COMPLIANCE WITH THE ASX RECOMMENDATIONS**

The Company's compliance with, and departures from, the ASX Recommendations (4<sup>th</sup> Edition) as at the date of the Report are set out below:

ASX RECOMMENDATION	COMPANY'S COMMENT
<b>1. Lay Solid Foundations for Management and Oversight</b>	
<p>1.1. A listed entity should disclose:</p> <p>(a) The respective roles and responsibilities of its Board and management; and</p> <p>(b) Those matters expressly reserved to the Board and those delegated to management.</p>	<p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chairman and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>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.</p> <p>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.</p>
<p>1.2. 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 relevant information in its possession relevant to a decision on whether or not to elect or re-elect a Director.</p>	<p>(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Plan. The Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires the 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.</p> <p>(b) Under the 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>1.3. A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	<p>The Company's Nomination Committee Charter requires the nomination committee (or, in its absence, the Board) to ensure that each Director and senior executive is 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>



ASX RECOMMENDATION	COMPANY'S COMMENT
<p>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.</p>	<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>
<p>1.5. A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) Have and disclose a diversity policy;</li> <li>(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</li> <li>(c) Disclose 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: <ul style="list-style-type: none"> <li>(1) The respective proportions of men and women on the board, in senior executive positions and across the whole organisation; or</li> <li>(i) 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.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives if considered appropriate, and to assess annually both the objectives if any have been set and the Company's progress in achieving them.</li> <li>(b) The Company has set measurable objectives which seek to allow and promote diversity, but do not at this stage include any specific numerical targets for gender, or any other, diversity measures.</li> <li>(c) <ul style="list-style-type: none"> <li>(i) The Board does not presently intend to set measurable gender diversity objectives because: <ul style="list-style-type: none"> <li>- the Board does not anticipate there will be a need to appoint any new Directors or senior executives due to the limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; and</li> <li>- if it becomes necessary to appoint any new Directors or senior executives, the Board considers the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit: and</li> </ul> </li> <li>(ii) 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) has been disclosed in the Company's Annual Corporate Governance Statement.</li> </ul> </li> </ul>

ASX RECOMMENDATION	COMPANY'S COMMENT
<p>1.6. 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>(a) The Company's 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. No performance evaluations were undertaken in respect of the Board and individual Directors for the financial period ended 30 June 2021.</p>
<p>1.7. 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>(a) The Company's 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 Company's remuneration 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>The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. No performance evaluations were undertaken in respect of senior executives during the financial period ended 30 June 2021.</p>
<b>2. Structure the Board to Add Value</b>	
<p>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>(a) The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director.</p> <p>(b) The Company does not have a formal Nomination Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board</p>

ASX RECOMMENDATION	COMPANY'S COMMENT
<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>Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the Company to enable it to discharge its duties and responsibilities effectively:</p> <p>(i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and</p> <p>(ii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.</p>
<p>2.2. 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>Under the Nomination Committee Charter (in the Company's Corporate Governance Plan), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skill matrix setting out the mix of skills and diversity that the Board 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 and expertise is present to facilitate successful strategic direction.</p> <p>Given the current size and stage of development of the Company the Board has not yet established a formal Board skills matrix. Gaps in the collective skills of the Board are regularly reviewed by the Board as a whole, with the Board proposing candidates for directorships having regard to the desired skills and experience required by the Company as well as the proposed candidates' diversity of background.</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>2.3. 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 that may cause doubts about the independence of a Director, but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position,</p>	<p>The Board considers three of its current Non-Executive Directors, Mr Les Davis, Mr Philip Crutchfield and Mr Tony Polglase to be independent directors. Up until his resignation on 28 February 2021, Mr Alex Hewlett was considered to be an independent director.</p> <p>The Board does not consider that Mr Davis, Mr Crutchfield or Mr Polglase are party to any interests, positions, associations or relationships that would compromise their status as independent Directors.</p>

ASX RECOMMENDATION	COMPANY'S COMMENT
<p>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>	<p>The current Directors of the Company commenced office on the following dates:</p> <ul style="list-style-type: none"> <li>– Mr Paul Chapman – 4 August 2017;</li> <li>– Mr Gareth Solly – 1 January 2018;</li> <li>– Mr Les Davis – 4 August 2017;</li> <li>– Mr Philip Crutchfield – 6 April 2021; and</li> <li>– Mr Tony Polglase – 25 May 2020.</li> </ul>
<p>2.4. A majority of the Board of a listed entity should be independent Directors.</p>	<p>The Company advises that currently three of its five directors are considered to be independent. During the whole financial year ended 30 June 2021 a majority of the Board was not comprised of independent Directors (being the period from the date of Mr Hewlett's resignation on 28 February 2021 and Mr Crutchfield's appointment on 6 April 2021), and as such did not strictly comply with Recommendation 2.4.</p> <p>Non-Executive Chairman, Mr Paul Chapman (via associated entities) is a substantial shareholder and as such is not considered as independent pursuant to the recommendations of the ASX Corporate Governance Council. The Board considers that despite his substantial shareholding, Mr Chapman discharges his duties as a Non-Executive Director in an impartial manner, consistent with that of an independent Director.</p>
<p>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.</p>	<p>The Chairman of the Company, Mr Paul Chapman, is not considered to be independent due to his substantial shareholding, and as such the Company does not comply with Recommendation 2.5. Refer to Recommendation 2.4 above for further information. The position of Chairman and CEO are held by separate Directors.</p>
<p>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.</p>	<p>In accordance with the Company's Board Charter, 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.</p>
<b>3. Act Ethically and Responsibly</b>	
<p>3.1. A listed entity should articulate and disclose its values.</p>	<p>The Company has not adopted a formal Statement of Values, however it seeks to achieve its objectives whilst seeking to ensuring it:</p> <ul style="list-style-type: none"> <li>○ conducts business with honesty, integrity, and fairness;</li> <li>○ complies with all relevant laws and regulations applicable to it;</li> </ul>

ASX RECOMMENDATION	COMPANY'S COMMENT
	<ul style="list-style-type: none"> <li>○ ensures the safety and wellbeing of our representatives and other stakeholders; and</li> <li>○ respects and cares for the environment and the wider communities in which it operates, in a sustainable manner.</li> </ul>
<p>3.2. A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) Have and disclose a code of conduct for its Directors, senior executives and employees; and</li> <li>(b) Ensure that the board or a committee of the board is informed of any material breaches of that code.</li> </ul>	<p>The Company has adopted a Code of Conduct that applies to all Directors, executives and employees.</p> <p>A copy of the code is available on the Company's website.</p> <p>Any material breach of the Code of Conduct will be immediately reportable to the board.</p>
<p>3.3. A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) Have and disclose a whistleblower policy; and</li> <li>(b) Ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</li> </ul>	<p>The Company has adopted a whistleblower policy, a copy of which is available on the Company's website, and appointed the Company Secretary as the designated whistleblower officer.</p> <p>The Company maintains a register of reportable incidents and all material reported incidents will be immediately reportable to the Board.</p>
<p>3.4. A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) Have and disclose an anti-bribery and corruption policy; and</li> <li>(b) Ensure that the board or a committee of the board is informed of any material breaches of that policy.</li> </ul>	<p>The Company has adopted an anti-bribery and corruption policy, a copy of which is available on the Company's website.</p> <p>The Company maintains a register of breaches and all material breaches will be immediately reportable to the Board.</p>
<b>4. Safeguard Integrity in Corporate Reporting</b>	
<p>4.1 The Board of a listed entity should:</p> <ul style="list-style-type: none"> <li>(a) Have an audit committee which: <ul style="list-style-type: none"> <li>(i) Has at least three members, all of whom are Non-Executive Directors and a majority of whom are independent Directors; and</li> <li>(ii) Is chaired by an independent Director, who is not the chair of the Board; and disclose;</li> <li>(iii) The charter of the committee;</li> <li>(iv) The relevant qualifications and experience of the members of the committee; and</li> <li>(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</li> </ul> </li> <li>(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</li> </ul>	<ul style="list-style-type: none"> <li>(a) 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 the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director who is not the Chairman.</li> <li>(b) The Company does not have a formal audit and risk committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the audit and risk committee under the Audit and Risk Committee Charter including the following processes to independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</li> </ul>

ASX RECOMMENDATION	COMPANY'S COMMENT
reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	<p>(i) The Board devotes time at annual board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and</p> <p>(ii) All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.</p>
4.2 The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and Chief Financial Officer ("CFO") a declaration that, in their opinion, the financial statements 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>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 on these terms.</p> <p>The Company confirms that it has received CEO and CFO declarations in respect of the 2020/2021 financial period.</p>
4.3 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>Periodic corporate reports that are not subject to audit or review by the Company's auditors (which include, but not limited to, quarterly activities and cash flow reports, directors' reports and any information included in the Company's annual report other than the audited financial statements) are compiled and verified by executive management before being reviewed by the Board before release to the market.</p>
<b>5 Make Timely and Balanced Disclosure</b>	
5.1 A listed entity should have and disclose a written policy for complying with its continual disclosure obligations under listing rule 3.1.	<p>The Board Charter provides details of the Company's disclosure policy. In addition, the Corporate Governance Plan details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation.</p> <p>The Corporate Governance Plan, which incorporates the Board Charter, is available on the Company's website.</p>
5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<p>All material market announcements are provided to the board for review and comment prior to release to the ASX Market Announcements Platform.</p>
5.3 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	<p>The Company ensures that any substantive investor or analyst presentation materials are released as a market announcement ahead of the presentation being given.</p>

ASX RECOMMENDATION	COMPANY'S COMMENT
Announcements Platform ahead of the presentation.	This recommendation does not apply to one on one meetings between the Company and investors or analysts. The Company ensures that any presentation materials at these meetings does not involve the disclosure of any material information that has not already been disclosed to the market.
<b>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 the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors.</p> <p>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>
6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<p>Shareholders are encouraged to participate at all general meetings and AGMs of the Company.</p> <p>Upon the despatch of any Notice of Meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.</p> <p>The Company will endeavour to hold meetings of Shareholders at times and venues which will enable and encourage Shareholders to attend.</p>
6.4 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>The Company ensures that all resolutions considered for approval at a meeting of security holders are decided upon by a poll.</p> <p>Where considered appropriate, the Company will engage the services of an independent third party, such as its share registry, to undertake the poll.</p>
6.5 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>The Shareholder Communication Strategy encourages and 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.</p> <p>Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p>
<b>7 Recognise and Manage Risk</b>	
<p>7.1 The Board of a listed entity should:</p> <p>(a) Have a committee or committees to oversee risk, each of which:</p>	(a) 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

ASX RECOMMENDATION	COMPANY'S COMMENT
<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 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>considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>(b) A copy of the Corporate Governance Plan is available on the Company's website.</p> <p>(c) The Company does not have a formal audit and risk committee as the Board consider the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter. The Board devotes time at its regular board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.</p>
<p>7.2 The Board or a committee of the Board should:</p> <p>(a) Review the entity's risk management framework and 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</p> <p>(b) Disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>(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.</p> <p>(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. No such review has been undertaken in the period ended 30 June 2021.</p>
<p>7.3 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>(a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function.</p> <p>(b) As set out in Recommendation 7.1, the Board is responsible for overseeing the establishment and implementation of effective risk management and internal control systems to manage the Company's material business risks and for reviewing and monitoring the Company's application of those systems.</p> <p>(c) The Board devotes time at its regular board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.</p>



ASX RECOMMENDATION	COMPANY'S COMMENT
<p>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.</p>	<p>The Company does have some exposure to environmental and social sustainability risks due to its ongoing exploration and development activities. This risk exposure is not considered to be unusual and common to other entities undertaking similar activities in common jurisdictions.</p> <p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company 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>
<b>8 Remunerate Fairly and Responsibly</b>	
<p>8.1 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> <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>(a) The Company's Corporate Governance Plan contains a Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>(b) The Company does not have a formal Remuneration Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>
<p>8.2 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>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 on the Company's website.</p>
<p>8.3 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>The Company's Corporate Governance Plan requires the remuneration committee (or, in its absence, the Board) to review, manage and disclose the policy (if any) under which participants to an equity-based remuneration plan (Plan) may be permitted (at the discretion of the Company) to enter into transactions (whether through the use of derivatives or</p>

<b>ASX RECOMMENDATION</b>	<b>COMPANY'S COMMENT</b>
(b) Disclose that policy or a summary of it.	otherwise) which limit the economic risk of participating in the Plan.