

CHAUCER ENERGY LIMITED
ACN 610 613 048
(COMPANY)

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at 1 October 2020.

In accordance with ASX Listing Rule 1.1 Condition 16, this Corporate Governance Statement discloses the extent to which the Company will follow the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (4th edition) (**Recommendations**) as at the date of the Company's admission to the official list of ASX (**Listing**). The Company will follow each Recommendation where the Board has considered the Recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a Recommendation, the Board has made appropriate statements reporting on the adoption of the Recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a Recommendation, the Board has explained its reasons for not following the Recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the Recommendation.

The Company's corporate governance policies and procedures are available on the Company's website at <https://www.chaucerenergy.com.au>.

It is noted that the Board does not consider that the Company will gain any benefit from individual Board committees (other than the audit committee) and that its resources would be better utilised in other areas as the Board is of the strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

RECOMMENDATION	RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<i>Principle 1: Lay solid foundations for management and oversight</i>			
Recommendation 1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes	The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management. The Board Charter is contained within the Company's Corporate Governance Pack which is available on the Company's website. The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the conduct of Board meetings, the roles and responsibilities of the Chairman, the CEO/Managing Director (if any) and the 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.

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			A copy of the Board Charter, which is part of the Company's Corporate Governance Pack, is available on the website of the Company.
Recommendation 1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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.	Yes	(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Pack. The Company's Remuneration and Nomination Committee Charter (contained in the Company's Corporate Governance Pack) requires the Remuneration and Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (this may include checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a director or senior executive, or putting forward to security holders a candidate for election, as a Director. (b) Under the Remuneration and Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.
Recommendation 1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Company's Remuneration and Nomination Committee Charter requires the Remuneration and 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. The Company has had written agreements with each of its Directors and senior executives applicable to the past financial year.
Recommendation 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.	Yes	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.
Recommendation 1.5	A listed entity should: (a) have and disclose a diversity policy; (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	Partially	(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. (b) The Diversity Policy is available, as part of the Corporate Governance Pack, on the Company's website.

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	<p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		<p>(c) The Board has not set measurable gender diversity objectives because:</p> <ul style="list-style-type: none"> • the Board does not anticipate there will be a need to appoint any new Directors or senior executives due to 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 • 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 would, 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. <p>(d) the Company does not have any women on the Board or in senior executive positions nor does it have any women across the whole organisation (noting there are currently 2 employees).</p>
<p>Recommendation 1.6</p>	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>Yes</p>	<p>(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluation 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 evaluating the performance of the Board, its committees and individual Directors is set out in the Corporate Governance Pack which is available on the website of the Company.</p> <p>(b) The Corporate Governance Pack requires the Company to disclose whether or not performance evaluations have been conducted during the relevant reporting period. Informal performance evaluations in respect of the Board, its committees (if any) and individual Directors for the past financial year (being the reporting period).</p>

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Recommendation 1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Yes	<p>(a) The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director. The Board may do so with the aid of an independent advisor. The process for evaluating the performance of senior executives is set out in the Corporate Governance Pack which is available on the website of the Company.</p> <p>(b) The Company had one senior executive during the past financial year, being Dr Len Walker who is the Executive Director. The performance of the Dr Walker was assessed by the Board on an informal basis.</p>
Principle 2: Structure the Board to add value			
Recommendation 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>	Yes	<p>(a) The Company's Remuneration and Nomination Committee Charter provides for the creation of a Remuneration and 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 did not have a Remuneration and Nomination Committee for the past financial year as the Board did not consider the Company would benefit from its establishment. Furthermore, at the date of Listing the Company will not have a Remuneration and Nomination Committee. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration and Nomination Committee under the Remuneration and 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 entity to enable it to discharge its duties and responsibilities effectively:</p> <p>(i) devoting time at least annually to discuss Board succession issues and consider 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>

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<p>Recommendation 2.2</p>	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p>Yes</p>	<p>The Board regularly evaluates the mix of skills, experience and diversity at the Board level. The Board believes that a highly credentialed Board, with a diversity of background, skills and perspective will be effective in supporting and enabling delivery of good governance for the Company and value for the Company’s shareholders. As at Listing, the Board will be comprised of three Directors from diverse backgrounds with a range of business experience, skills and attributes. The following demonstrates the skills and experience of the Directors across several dimensions that are relevant to the Company:</p> <table border="1" data-bbox="1093 456 1975 1414"> <thead> <tr> <th data-bbox="1093 456 1724 517">Managing and leadership</th> <th data-bbox="1724 456 1975 517">No of Directors</th> </tr> </thead> <tbody> <tr> <td data-bbox="1093 517 1724 616">Senior management positions held outside the Company</td> <td data-bbox="1724 517 1975 616">1</td> </tr> <tr> <td data-bbox="1093 616 1724 676">Resource industry experience</td> <td data-bbox="1724 616 1975 676"></td> </tr> <tr> <td data-bbox="1093 676 1724 775">Management/board representation on other resource entities (past and present)</td> <td data-bbox="1724 676 1975 775">3</td> </tr> <tr> <td data-bbox="1093 775 1724 874">Experience in resource-based transactions, joint ventures, acquisitions and/or disposals</td> <td data-bbox="1724 775 1975 874">3</td> </tr> <tr> <td data-bbox="1093 874 1724 973">Management of exploration and development activities – drilling, surveying, etc</td> <td data-bbox="1724 874 1975 973">1</td> </tr> <tr> <td data-bbox="1093 973 1724 1034">Governance or regulatory</td> <td data-bbox="1724 973 1975 1034"></td> </tr> <tr> <td data-bbox="1093 1034 1724 1094">Experience in governance of listed organisations</td> <td data-bbox="1724 1034 1975 1094">3</td> </tr> <tr> <td data-bbox="1093 1094 1724 1193">Board membership of other listed entities (past and present)</td> <td data-bbox="1724 1094 1975 1193">3</td> </tr> <tr> <td data-bbox="1093 1193 1724 1254">Strategy</td> <td data-bbox="1724 1193 1975 1254"></td> </tr> <tr> <td data-bbox="1093 1254 1724 1414">Experience in growing the business, assessing value based opportunities, think strategically and review and challenge management in order to make informed decisions and assess performance against strategy</td> <td data-bbox="1724 1254 1975 1414">3</td> </tr> </tbody> </table>	Managing and leadership	No of Directors	Senior management positions held outside the Company	1	Resource industry experience		Management/board representation on other resource entities (past and present)	3	Experience in resource-based transactions, joint ventures, acquisitions and/or disposals	3	Management of exploration and development activities – drilling, surveying, etc	1	Governance or regulatory		Experience in governance of listed organisations	3	Board membership of other listed entities (past and present)	3	Strategy		Experience in growing the business, assessing value based opportunities, think strategically and review and challenge management in order to make informed decisions and assess performance against strategy	3
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			Financial acumen	
			Financial literacy	3
Recommendation 2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation 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 or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	Yes	<p>In addition, the Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details of the relevant skills and experience of each Director and senior executive are disclosed in the Company's Prospectus at Section 8 and will be disclosed in the Company's Annual Reports.</p> <p>(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Board considers that at Listing Mr Malcolm MacAully and Mr Stephen Layton will be independent.</p> <p>(b) There are no independent Directors who fall into this category.</p> <p>(c) The Company's directors have served for the following periods: Mr Malcolm McAully (Non-Executive Chairman) – appointed 10 July 2017 Dr Len Walker – appointed (Managing Director) – appointed 28 February 2016 Mr Stephen Layton (Non-Executive Director) – appointed 10 July 2017</p>	
Recommendation 2.4	A majority of the board of a listed entity should be independent directors.	Yes	A majority (two out of three) of the Directors of the Company are considered to be independent Directors.	
Recommendation 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.	Yes	The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director. The Chair of the Company during the past financial year was Mr Malcolm McAully, who is an independent Director and is not the CEO.	
Recommendation 2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and	Yes	<p>The Board Charter sets out an extensive induction process for new Directors which are to be facilitated by the Company Secretary. The Remuneration and Nomination Committee (or, in its absence, the Board) shall review the induction process periodically to ensure it remains appropriate for new Directors.</p> <p>The Board Charter sets out that the need for professional development of Directors shall be reviewed each year by the Remuneration and Nomination Committee (or, in its absence, the</p>	

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	knowledge needed to perform their role as directors effectively.		Board). The Remuneration and Nomination Committee (or, in its absence, the Board) shall also develop with the Directors an appropriate training and development program.
Principle 3: Act ethically and responsibly			
Recommendation 3.1	A listed entity should articulate and disclose its values.	Yes	The Company has adopted a statement of values (which forms part of the Company's Corporate Governance Pack) that is available on the Company's website.
Recommendation 3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	Yes	(a) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Pack) applies to the Company's Directors, senior executives and employees. The Company's Corporate Code of Conduct is available on the Company's website. (a) Breaches of the Code are to be reported to the Company secretary who shall be responsible for reporting the breach directly to the Board.
Recommendation 3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Yes	(a) The Company has adopted a whistleblower policy that is available on its website. (b) The whistleblower policy provides for breaches to be considered by the Board, subject to compliance with the terms of the whistleblower policy.
Recommendation 3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	Yes	(b) The Company has adopted an anti-bribery and corruption policy that forms part of the Corporate Governance Pack that is available on the website of the Company. (c) Breaches of the anti-bribery and corruption policy are to be reported to the Company secretary who shall be responsible for reporting the breach directly to the Board.
Principle 4: Safeguard the integrity of Corporate Reports			
Recommendation 4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and	Yes	(a) The Company's Corporate Governance Pack 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 Chair of the Board. (b) The Company did not have an Audit and Risk Committee for the past financial year as the Board did not consider the Company would benefit from its establishment. Furthermore,

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	<p>(2) is chaired by an independent director, who is not the chair of the board, 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>		<p>at the date of Listing the Company will not have an Audit and Risk Committee. 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:</p> <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>
Recommendation 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>	Yes	<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>
Recommendation 4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	Yes	<p>Periodic financial or other reports released in or for a particular financial period which are not audited or reviewed by the external auditor will be peer-reviewed internally and signed off on by the CFO (or the person(s) fulfilling that role, if any) and the Board prior to release (including release as an announcement to ASX).</p>

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Principle 5: Make Timely and Balanced Disclosure			
Recommendation 5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	The Company has adopted a Communication and Disclosure Policy that contains its policy for complying with its continuous disclosure obligations under listing rule 3.1 from the date of Listing. The Communication and Disclosure Policy forms part of the Corporate Governance Pack that is available on the website of the Company.
Recommendation 5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	From the date of Listing the Company Secretary will circulate all market announcements to the Board immediately prior to, or shortly after, release to ASX in accordance with the Board Charter and the Communication and Disclosure Policy.
Recommendation 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 Announcements Platform ahead of the presentation.	Yes	From the date of Listing the Company Secretary will be responsible for releasing presentation materials to ASX ahead of the presentation occurring.
Principle 6: Respect the Rights of Security Holders			
Recommendation 6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company provides information about itself and its corporate governance policies and procedures, including its corporate governance statement via its website (www.chaucerenergy.com.au).
Recommendation 6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Communication and Disclosure Policy sets out the investor relations program of the Company that is proposed to facilitate effective two-way communication with investors and is available on the Company's website as part of the Company's Corporate Governance Pack.
Recommendation 6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	The Board Charter sets out how shareholders are encouraged to participate in meetings. The Communication and Disclosure Policy provides for shareholder meetings being structured to provide effective communication to shareholders and allow the reasonable opportunity for shareholder participation, including to ask questions of the Company and, in the case of an AGM, the external auditor of the Company.
Recommendation 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.	Yes	The Board Charter provides that all substantive resolutions are to be determined by way of a poll rather than by a show of hands. All substantive resolutions considered at meetings of security holders during the reporting period were decided by a poll.
Recommendation 6.5	A listed entity should give security holders the option to receive communications from, and	Yes	As set out in the Communication and Disclosure Policy, shareholders are given the option to send and receive communications from the Company and its registry by electronic means.

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	send communications to, the entity and its security registry electronically.		<p>The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>The Company's email address (enquiries@chaucerenergy.com.au) is provided on the Company's website and management (with the authority of the Board) responds to shareholder communication when received.</p>
Principle 7: Recognise and Manage Risk			
Recommendation 7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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>(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>	Yes	<p>(a) The Company's Corporate Governance Pack 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.</p> <p>A copy of the Corporate Governance Pack is available on the Company's website.</p> <p>(b) The Company did not have an Audit and Risk Committee for the past financial year as the Board did not consider the Company would benefit from its establishment. Furthermore, at the date of Listing the Company will not have an Audit and Risk Committee. 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 Board devoting time at all 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>
Recommendation 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 that the</p>	Yes	<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. The Board has also adopted a Risk Management Policy to assist with this process.</p>

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	<p>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>(b) The Company's Board informally reviews key risks from time to time and disclosure of such risks will be made in relevant announcements and in the Company's Annual Report.</p>
Recommendation 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 governance, risk management and internal control processes.</p>	Yes	<p>(a) If the Company were to have an internal audit function, the Audit and Risk Committee Charter provides for the Audit and Risk Committee (or, in its absence, the Board) to structure the internal function and define the role it would perform.</p> <p>(b) The Company did not have an internal audit function for the past financial year and will not have one at the date of Listing. The Company employs the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes:</p> <ul style="list-style-type: none"> (i) the Board monitors the need for an internal audit function having regard to the size, location and complexity of the Company's operations; (ii) the Board periodically undertakes an internal review of financial systems and processes where systems are considered to require improvement these systems are developed; and (iii) The Board reviews risk management and internal compliance procedures at each Board meeting and monitors the quality of the accounting function.
Recommendation 7.4	<p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	<p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management in determining whether the Company has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p> <p>The Company's Corporate Governance Pack requires the Company to disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. The Board informally assesses material exposure to environmental and social risks from time to time and will disclose such risks in relevant announcements and in the Company's Annual Report.</p>
Principle 8: Remunerate Fairly and Responsibly			
Recommendation 8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p>	Yes	<p>(a) The Company's Corporate Governance Pack contains a Remuneration and Nomination Committee Charter that provides for the creation of a Remuneration and Nomination Committee (if it is considered it will benefit the Company), with at least three members, a</p>

RECOMMENDATION	RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
	<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>		<p>majority of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>(b) The Company did not have a Remuneration and Nomination Committee for the past financial year as the Board did not consider the Company would benefit from its establishment. Furthermore, at the date of Listing the Company will not have a Remuneration and Nomination Committee. 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. The Board devotes time at least annually at a Board meeting to assess the level and composition of remuneration for Directors to ensure remuneration is appropriate and not excessive.</p>
Recommendation 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.	Yes	The Company's Corporate Governance Pack requires the Board to separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and senior executives.
Recommendation 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>	Yes	<p>(a) The Company has an equity-based remuneration scheme which is disclosed and summarised in the Company's Prospectus. The Company's Corporate Governance Pack prohibits Key Management Personnel entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p> <p>(b) Executives are prohibited from entering into transactions or arrangements which limit the economic risk of participating in equity-based remuneration or in unvested entitlements.</p>