



ABN: 48 119 978 013

ASX Announcement (ASX: TSC)

24 September 2018

Appendix 4G and 2018 Corporate Governance Statement

Attached is the Appendix 4G and 2018 Corporate Governance Statement in accordance with Listing Rule 4.7.3, 4.7.4 and 4.10.3.

For further information please contact:

Damien Connor

Company Secretary

Twenty Seven Co. Limited

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www.twentysevensco.com.au

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Twenty Seven Co. Limited

ABN / ARBN:

48 119 978 013

Financial year ended:

30 June 2018

Our corporate governance statement² for the above period above can be found at:³



These pages of our annual report:



This URL on our website:

<http://www.twentysevenco.com.au/about-us/>

The Corporate Governance Statement is accurate and up to date as at 24 September 2018 and has been approved by the board.

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

Date: 24 September 2018

Name of Director or Secretary authorising
lodgement:



Damien Connor
Company Secretary

¹ 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.

² "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.

³ 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 ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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 OR <input type="checkbox"/> at <i>[insert location]</i> ... 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 Board Charter located in the Corporate Governance section of the Company's website: http://www.twentysevenco.com.au/about-us/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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 OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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 OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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 OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ 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 ... ⁴
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>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at Diversity Policy located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> also at Board Charter located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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 ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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 ... ⁴
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 OR <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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 OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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 OR <input checked="" type="checkbox"/> also at Director Induction Program located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
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 type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> also at Code of Conduct and Ethics located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/	<input type="checkbox"/> an explanation why that is so 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 ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at Audit & Risk Committee Charter located in the Corporate Governance section of the Company's website: http://www.twentysevenco.com.au/about-us/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at pages 5, 10 and 11 of the Company's Annual Report 2018</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>The Company has an Audit & Risk Committee, however does not meet item (a) (1) of the recommendation.</p>
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> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input 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 ... ⁴
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 OR <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
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 type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at Continuous Disclosure & Communications Policy located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
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 the website and with specific governance information located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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 type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at Continuous Disclosure & Communications Policy located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/	<input type="checkbox"/> an explanation why that is so 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 type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at Continuous Disclosure & Communications Policy located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable

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 ... ⁴
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.	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at Continuous Disclosure & Communications Policy located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at Audit & Risk Committee Charter located in the Corporate Governance section of the Company's website: http://www.twentysevens.com.au/about-us/</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at pages 5, 10 and 11 of the Company's Annual Report 2018</p> <p>[If the entity complies with paragraph (b):]</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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input 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 ... ⁴
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 <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></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 <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so 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>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</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 <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input 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 ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ 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><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> also at Remuneration Policy located in the Corporate Governance section of the Company's website: http://www.twentysevenco.com.au/about-us/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at Remuneration Report - pages 12 to 14 of the Company's Annual Report 2018.</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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 ... ⁴
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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at Securities Trading Policy located in the Corporate Governance section of the Company's website: http://www.twentysevenco.com.au/about-us/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



CORPORATE GOVERNANCE STATEMENT

This statement reports on the main corporate governance practices of Twenty Seven Co. Limited (Company) as at 24 September 2018 and it has been approved by the Board of the Company.

It is the responsibility of the Board of Directors of the Company to monitor the business affairs of the Company and to protect the rights and interests of the shareholders. The Board believes that high standards of corporate governance are an essential prerequisite for creating sustainable value for shareholders.

This statement sets out the Company's main corporate governance policies and practices. All these practices, unless otherwise stated, were in place for the entire reporting period. The policies and practices are reported against the 3rd Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Where the Company's compliance with the Principles and Recommendations is reflected in a separate document or policy, a reference to the location of that document or policy is included in this statement.

References in this statement to "reporting period" are to the financial year ended 30 June 2018.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 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.*

Recommendation followed. The Company's Board Charter sets out (amongst other things): (a) the roles and responsibilities of the Board and of management; (b) the matters expressly reserved to the Board; and (c) the matters delegated to management.

A copy of the Board Charter can be viewed at the Corporate Governance section on the Company's website: [Board Charter](#)

The Audit & Risk Committee have also been referred responsibilities by the Board as set out in the Committee's Charter. The Charter for the Audit & Risk Committee can be viewed at the Corporate Governance section on the Company's website: [Audit & Risk Committee Charter](#)



Recommendation 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.*

Recommendation followed. Prior to the appointment of a person, or putting forward to security holders a candidate for election, as a director, the Company undertakes checks which it believes are appropriate to verify a director's character, experience, education, criminal record and financial history including for new directors, including, but not limited to the following:

- Background and reference checking
- Requesting information in relation to the person's current and previous positions, directorships, financial history and any potential conflicts of interest.

The Company ensures that all material information in its possession relevant to a shareholder's decision whether to elect or re-elect a director, including the information referred to in Recommendation 1.2, is provided to shareholders in the Company's Notice of Annual General Meeting.

Recommendation 1.3

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

Recommendation followed. Each director and senior executive of the Company has an agreement in writing with the Company which sets out the key terms and conditions of their appointment including their duties, rights and responsibilities and (to the extent applicable) the matters referred to in the commentary to Recommendation 1.3.

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.

Recommendation followed. The Company Secretary has a direct line of reporting to the Chairman and is responsible for:

- advising and supporting the Chairman and the Board and its committees to manage the day to day governance framework of the Company;
- assisting with Board effectiveness by monitoring whether applicable Board and committee policies, procedures and charters are followed and coordinating timely completion and despatch of Board agendas and papers; and
- assisting with all matters to do with the proper functioning of the Board including advising on governance matters and assisting with induction and professional development of directors.

The responsibilities of the Company Secretary are set out in the Board Charter referenced in this statement.



Recommendation 1.5

A listed entity should:

- (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;*
- (b) disclose that policy or a summary of it; and*
- (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:*
 - 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*
 - 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.*

Recommendation not followed. Given the size of the Company and status of the Company's projects, the directors believe that it is not appropriate at this stage to set measurable objectives in relation to diversity beyond those included in the Diversity Policy. Notwithstanding this, the Company strives to provide the best possible opportunities for current and prospective employees of all backgrounds in such a manner that best adds to overall shareholder value and which reflects the values, principles and spirit of the Diversity Policy. The directors also believe that diversity is a relevant consideration for constitution of an effective Board, as discussed at Recommendation 2.2.

The Company seeks to treat everyone with fairness and respect, which includes valuing diversity and difference and acting without prejudice. The Company believes that decision-making is enhanced through diversity and supports and encourages diversity at all levels of the organisation in accordance with the Company's Diversity Policy. A copy of the Diversity Policy is located in the Corporate Governance section on the Company's website: [Diversity Policy](#)

The Board assesses any measurable objectives for achieving gender diversity and annually reviews any such objectives and the Company's progress towards achieving them. The Board reviews at least annually on the relative proportion of women and men appointed or employed within the Company group and reports this in the Company's Corporate Governance Statement and as appropriate in its Annual Report, each year.

At the end of the reporting period, the Company reports as follows:

Gender diversity report	Total positions	Held by women	% held by women
Board	3	1	33%
Senior executives	1	-	-
Other employees	2	1	50%
Total organisation	6	2	33%



Recommendation 1.6

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and*
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

Recommendation followed. The Board Charter details the company's commitment, responsibility and process to annually evaluate the performance of the Board, individual directors, the Chairman and indirectly Committees of the Board. The Board Charter is located in the Corporate Governance section on the Company's website: [Board Charter](#)

Consistent with this commitment, the Company also has a document that details its procedure in respect of performance evaluation of the Board.

The board itself is responsible for the evaluation of its performance and the performance of individual directors. This evaluation is currently conducted via self-assessment annually, and is managed by the Company Secretary at the direction of the Chairman. From time to time and as deemed necessary, the Company, at the direction of the Chairman, may undertake to have its performance evaluation process facilitated externally by an appropriately qualified service provider.

The Board conducts a formal review of its effectiveness, against this charter, code and individual employment agreements, and involves:

- evaluating the performance of each Director against appropriate qualitative and quantitative measures (including if warranted by considering the use of external advisers to conduct this performance review);
- for the Directors (excluding the Chairman), evaluating the performance of the Chairman;
- comparing its performance with the requirements of its Charter and code of conduct set out in its constitution;
- setting out its future goals and objectives; and
- reviewing and recommending any changes to its Charter deemed necessary or desirable.

The performance evaluation shall be conducted in such manner as the Board deems appropriate.

The review of the Board's performance also addresses the ability for directors to access continuing education to update and enhance their skills and knowledge as they relate to the Company's strategy and objectives.

During the period the Company has undertaken an evaluation of the performance of the Board, individual directors, and indirectly Committees of the Board.

Recommendation 1.7

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives; and*
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

Recommendation followed. The Board (excluding the CEO/Managing Director) reviews the performance of the CEO/Managing Director annually. A formal review was not undertaken during the period.

The Company's Acting CEO (ACEO) resigned on 29 November 2017, and the Company did not replace that role during the reporting period (however a CEO has been appointed subsequent to the end of the reporting period). While a formal review was not undertaken during the period, informal reviews took place at each board meeting and frequent discussions were had with the CEO about his achievement toward his targets to secure funding, reducing costs and seeking other projects and opportunities that might add significant value for shareholders. The Board evaluation referred to under Recommendation 1.6, covers the former ACEO who was also director, until his resignation from that role on 29 November 2017.

The CEO/Managing Director normally reviews the performance of the senior executives annually. During the reporting period the reviews were done informally as the level of company activity did not warrant more.

The Board also recognises the need for flexibility in defining performance objectives which must reflect the current status of the company (as an exploration company) and the respective stages of its projects. Reduced expenditure levels on exploration during the reporting period impacted the level of performance review required.

The performance of the CEO/Managing Director and that of senior executives is also considered at board meetings.



PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1

The board of a listed entity should:

(a) have a nomination committee which:

(i) has at least three members, a majority of whom are independent directors;

(ii) is chaired by an independent director, and disclose;

(iii) the charter of the committee;

(iv) the members of the committee; and

(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(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.

Recommendation followed. The Board has no formal nomination committee. Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for, screening and appointing new Directors.

To assist the Board with the selection and appointment of new Directors the Company has a 'policy and procedure for selection and appointment of new directors' which is located in the Corporate Governance section on the Company's website: [Policy & Procedure for Director Appointment](#)

Directors are selected by reference to their knowledge, skills and experience relevant to the business needs of the Company. New directors are invited to join the Board by the Chairman, who makes the invitation based on recommendations made by the Board and approved by the Board.

The Company aims to nominate and appoint individuals with diverse skills, values, backgrounds and experiences. The Company values this diversity and recognises the strengths and opportunities it may bring to the Board.

In order to attract and retain a diverse Board composition, the Company is committed to providing a working environment in which all directors, employees and consultants are treated fairly and respectfully, and have equal access to opportunities available within the Company for personal and professional development.

Twenty Seven Co. Limited is aware of the benefits of gender diversity and is committed to ensuring female participation is reflected at all levels of the organisation including among senior management and directors of the Board.

In view of the size and resources available to the Company, it is not considered that a separate nomination committee would add any further substance to this process.



Recommendation 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.

Recommendation followed. 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 perspectives, will be effective in supporting and enabling delivery of good governance for the Company and value for the Company's shareholders.

During the reporting period, the Board comprised of four Directors (following the appointment of Robert Rorrison as director on 5 October 2017) and then went back to 3 directors following David Paterson's resignation on 29 November 2018. As at the date of this document, the Board comprised a total of 4 directors following the appointment of Mark Siford as director on 28 August 2018. Each of the directors who held office during the reporting period and those that hold office as at the date of this report, are from diverse backgrounds with a range of business experience, skills and attributes. The following table demonstrates the skills and experience of the Directors across several dimensions that are relevant to Twenty Seven Co. Limited. Biographical information on each director is contained in the Annual Report and on the company's website.

Composition of skills and experience of the Board as a whole (out of 4)

Skills & Experience	
Industry experience - Management / board representation in other resource entities (past and present) - transactions within the resources sector (ie mergers, acquisitions, joint ventures, IPOs etc) - Membership of industry related organisations - Engineering or science qualification or experience - Management of exploration activities – drilling, surveys, etc.	4
Executive leadership/management - Outside directorships (past or present) - senior management positions (past or present)	4
Financial acumen - Financial Literacy - Accounting, finance or business qualification	4
Governance & regulation - Experience in the governance of listed organisations - Membership of governance industry bodies or organisations	4
Strategy - Experience to analyse information, think strategically and review and challenge management in order to make informed decisions and assess performance against strategy.	4
Risk - Experience in risk management and oversight.	4

The Company aspires to have a Board comprised of individuals' with diverse experience and expertise and will be mindful of this when making appointments which will also be based on merit.

Recommendation 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.*

Recommendation followed. In the opinion of the board, to qualify as being “independent”, a director must be independent of management and free of any business or other relationship which could materially interfere or could reasonably be perceived to interfere materially with the Director’s independent exercise of their judgement.

Ms A McCleary, Chairman, was appointed to the Board on 31 May 2006, and is considered by the Board to be an independent director, having regard to the factors set out above. Ms A McCleary holds less than 5% of the share capital of the Company at the end of the reporting period.

Mr M Janes was appointed to the Board on 2 October 2014 and is considered by the Board to be an independent director, having regard to the factors set out above. Mr M Janes holds less than 5% of the share capital of the Company at the end of the reporting period.

Mr R Rorrison was appointed to the Board on 5 October 2017 and is considered by the Board to be an independent director, having regard to the factors set out above. Mr R Rorrison holds less than 5% of the share capital of the Company at the end of the reporting period.

Mr M Siford was appointed to the Board on 28 August 2018 and is considered by the Board to be an independent director, having regard to the factors set out above. Mr M Siford holds less than 5% of the share capital of the Company at the end of the reporting period.

Recommendation 2.4

A majority of the board of a listed entity should be independent directors.

Recommendation followed. During the whole of the reporting period, at least two of the Board members were independent directors, and following the resignation of director D Paterson on 29 November 2017, the board comprised on 3 independent directors. Subsequent to the reporting period, on 28 August 2018 Mark Siford was appointed as an independent non-executive director.

In accordance with the ASX Recommendations, the independence of a director is assessed by determining whether the director is independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment. The test of whether a relationship or business is material is based on the nature of the relationship or business and on the circumstances and activities of the director. Materiality thresholds are considered by the Board from time to time.

Ms A McCleary, Mr M Janes, Mr R Rorrison and Mr M Siford are all regarded as independent directors as they are free of any business or other relationship that could materially interfere with,

or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

As the business develops, changes to and/or further appointments to the Board may be warranted and the Board will consider the need to appoint 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.

Recommendation followed. The Chairman of the Board is an independent director as described in recommendation 2.3. The Chairman is not the current or previous CEO or Managing Director of the Company.

Recommendation 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.

Recommendation followed. All new directors are provided with an induction including comprehensive meetings with the Managing Director/CEO and senior executives / management as appropriate and provision of information on the Company including Company and Board policies, charters and other material documents.

All directors are expected to maintain the skills required to effectively discharge their obligations to the Company. Directors are encouraged to undertake continuing professional education and, if this involves industry seminars and approved education courses, where appropriate, this is paid for by the Company. Furthermore, Directors' skills, knowledge and opportunities for continuing education and development are considered annually as part of the performance evaluation of the Board, individual directors and Chairman.

The company's 'Director Induction Program' is located in the Corporate Governance section of the Company's website: [Director Induction Program](#)

The Company procedure in respect of performance evaluation of the Board and individual directors is located in the Corporate Governance section of the Company's website: [Board & Executive Evaluation](#)

PRINCIPLE 3 – A LISTED ENTITY SHOULD ACT ETHICALLY AND RESPONSIBLY

Recommendation 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.*

Recommendation followed. The Company has a Code of Conduct and Ethics that sets out the standards of behaviour expected of all its employees, directors, officers, contractors and consultants. The Code of Conduct and Ethics is located in the Corporate Governance section of the Company's website: [Code of Conduct & Ethics](#)



PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1

The board of a listed entity should:

(a) have an audit committee which:

(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and

(ii) is chaired by an independent director, who is not the chair of the board, and disclose:

(iii) the charter of the committee;

(iv) the relevant qualifications and experience of the members of the committee; and

(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(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.

Recommendation followed. The Company has established an Audit & Risk Committee which comprises 4 non-executive directors as at the date of this document. The Audit & Risk Committee is chaired by Mr M Janes, who was appointed to the role of Chairman on 16 February 2018, following the resignation of the former Chairman Mr D Paterson (executive director), on 29 November 2018. Mr M Janes is not the chair of the Board, and is considered an independent director.

Whilst the Audit & Risk Committee was not comprised wholly of non-executive directors or meet the recommended composition of 3 members for the whole of the reporting period, the Company does have processes it employs that independently verifies 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. These processes are detailed in the Audit & Risk Committee Charter located in the Corporate Governance section of the Company's website: [Audit & Risk Committee Charter](#)

The Committee's members and their relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings are set out in the 2018 Annual Report.

As the business develops, changes to and/or further appointments to the Board may be warranted and the Board will consider the need to appoint independent directors.



Recommendation 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 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.

Recommendation followed. The Board has received a declaration in the form set out in Recommendation 4.2 from its Chief Executive Officer and Chief Financial Officer in relation to the financial statements for the reporting period.

Recommendation 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.

Recommendation followed. The Company's external auditor attends each AGM of the Company and is always available to answer questions from security holders relevant to the audit.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 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.*

Recommendation followed. The Company has a Continuous Disclosure & Communications Policy that outlines the processes followed by the Company to ensure compliance with its continuous disclosure obligations and the corporate governance standards applied by the Company in its communications to the market. The Continuous Disclosure & Communications Policy is located in the Corporate Governance section of the Company's website: [Continuous Disclosure & Communications Policy](#)

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.

Recommendation followed. Appropriate information about the Company and its operations is located on the Company's website: www.twentysevensco.com.au

Recommendation 6.2

A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

Recommendation followed. The Company has a Continuous Disclosure & Communications Policy that outlines the processes followed by the Company to ensure communication with shareholders and the investment community is effective, consistent and adheres to the principles of continuous disclosure. The Continuous Disclosure & Communications Policy is located in the Corporate Governance section of the Company's website: [Continuous Disclosure & Communications Policy](#)

Recommendation 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.

Recommendation followed. The Continuous Disclosure & Communications Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of security holders. The Company permits shareholders to cast their proxies prior to a General Meeting if they are unable to attend the meeting.

Recommendation 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.

Recommendation followed. The Company gives security holders the option to receive communications from, and send communications to, the Company and its security registry electronically, as provided for in the Company's Continuous Disclosure & Communications Policy.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK**Recommendation 7.1**

The board of a listed entity should:

- (a) have a committee or committees to oversee risk, each of which:*
 - (i) has at least three members, a majority of whom are independent directors; and*
 - (ii) is chaired by an independent director, and disclose:*
 - (iii) the charter of the committee;*
 - (iv) the members of the committee; and*
 - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- (b) if it does not have risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*

Recommendation followed. The Company has established an Audit & Risk Committee to oversee risk whether financial, operational or otherwise. The Audit & Risk Committee comprises of 4 members as of the date of this document, all of whom are independent directors. Mr M Janes was appointed Chairman of the Committee on 16 February 2018. Mr M Janes is an independent director.

Whilst the Audit & Risk Committee is not comprised wholly of non-executive directors or meet the recommended composition of 3 members for the whole of the reporting period, the Committee, in accordance with its charter does have a process it employs for overseeing the entities risk management framework. The Company also has a Risk Management Policy that provides further guidance in the management of risk within the Company.

The Committee's members and their relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings are set out in the 2018 Annual Report.

The Company's Audit & Risk Committee Charter is located in the Corporate Governance section of the Company's website: [Audit & Risk Committee Charter](#)

The Company's Risk Management Policy is located in the Corporate Governance section of the Company's website: [Risk Management Policy](#)

Recommendation 7.2

The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.

Recommendation followed. The Company's Risk Management Policy sets the framework for risk management and review of the risk management framework.

The Company's Risk Management Policy requires the Board to, at least annually, assisted by the Audit & Risk Committee, undertake a structured consideration and review of the risk management framework and the material risks faced by the Company. At each Board meeting, the company has a standing agenda item to consider any new or changed risks that may have emerged since the previous meeting. The Risk Management Policy is located in the Corporate Governance section of the Company's website: [Risk Management Policy](#)

In respect of the current reporting period, the Board, assisted by the Audit & Risk Committee, has completed a review of the Company's risk management framework. This review involved taking account of any material changes in the risks associated with the company's activities and updating the framework accordingly.

Recommendation 7.3

A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or*
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.*

Recommendation followed. Twenty Seven Co. Limited is committed to understanding and managing risk and to establishing an organisational culture that ensures risk management is included in all activities, decision making and business processes. The company does not have a formal internal audit function due to its size.



The Audit & Risk Committee meets at least bi-annually to receive and consider reports on, and monitor and discuss, known and emerging risk and compliance issues, including non-financial operational and other business risks.

The ongoing mitigation and management of key business risks is a standing agenda item and is addressed by the Board as a whole at each Board meeting through discussion and it is an item of business on the agenda of the Audit & Risk Committee at least bi-annually. Operational, financial, legal, compliance, strategic and reputational risks continue to be managed primarily by the Managing Director/CEO and the Chief Financial Officer/Company Secretary as a part of the day-to-day management of the Company's affairs. Where appropriate, these risks are managed with the support of relevant external professional advisers.

The company undertakes an ongoing review of its safety and environmental risks and reports on this aspect at each Board meeting.

Recommendation 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.

Recommendation followed. The Company undertakes minerals exploration activities and, as such, faces risks inherent to its business, including economic, environmental and social sustainability risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term.

One of the Company's core values is safety; it prioritises safety and health to people, the environment and community. The Company views sustainable and responsible business practices as an important long term driver of performance and shareholder value and is committed to transparency, fair dealing, responsible treatment of employees and partners and positive interaction with the community.

In addition to the company's risk management framework (as described in the Company's Risk Management Policy), the Company undertakes an ongoing review of its safety and environmental risks and reports on this aspect at each Board meeting.

The company is committed to continual review of its status with respect of the materiality of its economic, environmental and social sustainability risks, and take appropriate action to address, as circumstances require.



PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1

The board of a listed entity should:

- (a) *have a remuneration committee which:*
- (i) has at least three members, a majority of whom are independent directors; and*
 - (ii) is chaired by an independent director, and disclose*
 - (iii) the charter of the committee;*
 - (iv) the members of the committee; and*
 - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- (b) *if it does not have 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 remuneration is appropriate and not excessive.*

Recommendation followed. The Company does not have a separate remuneration committee due to the current size of the Company and its operations. The Board as a whole has responsibility for the function of the remuneration committee, including the performance evaluation and remuneration of the Managing Director/CEO.

The primary function is to consider and recommend compensation arrangements for the Managing Director/CEO and senior executives, remuneration policies and practices, retirement termination policies and practices, company share schemes and other incentive schemes, company superannuation arrangements and remuneration arrangements for members of the Board.

The Board recognises that the attraction and retention of high calibre executives is critical to generating shareholder value. As a general rule, the Board believes that individual salary negotiation is more appropriate than formal remuneration policies.

Fees and payments to non-executive Directors reflect the demands that are made on, and the risks and responsibilities, of the Directors. The Board reviews non-executive Directors' fees and payments periodically, and any increase recommended in the overall amount allocated to Directors fees is subject to shareholder approval.

Each member of the executive team has signed a formal contract at the time of their appointment covering a range of matters including their duties, rights, responsibilities and any entitlements on termination. The standard contract sets out a specific formal job description.

The company's Remuneration Policy is located in the Corporate Governance section of the Company's website: [Remuneration Policy](#)

The primary functions of the Board in relation to the Remuneration policy is to:

- make specific decisions for remuneration of directors and senior officers;
- resolve the terms and conditions of employment for the Managing Director/CEO;
- undertake a review of the Managing Director/CEO's performance, at least annually, including setting with the Managing Director/CEO goals for the coming year and reviewing progress in achieving those goals;
- report on the decisions ; and
- develop and facilitate a process for board and director evaluation.



In fulfilling its role of the remuneration committee, the Board may seek external advice and market comparisons where necessary.

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.

Recommendation followed. The Company's policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives is set out in the Remuneration Report contained in the 2018 Annual Report. A copy of the 2018 Annual Report is located on the Company's website www.twentysevenco.com.au

Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should:

- (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*
- (b) disclose that policy or a summary of it.*

Recommendation followed. The Company has an equity-based remuneration scheme. The Company's Securities Trading Policy provides that participants in the scheme must not enter into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested equity interest. The Securities Trading Policy is located in the Corporate Governance section of the Company's website: [Securities Trading Policy](#)