

**LWP TECHNOLOGIES LIMITED ABN 80 112 379 503**  
**CORPORATE GOVERNANCE PLAN AND CORPORATE GOVERNANCE STATEMENT**

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This Corporate Governance Statement financial year ending 30 June 2018 has been approved by the Board of the Company on 27 September 2018.

The LWP Board is responsible for ensuring good corporate governance and underwent renewal in the 2018 financial year following the appointment of Mr Dan Lanskey as Non-Executive Chairman and resignation of Mr Siegfried Konig as Executive Chairman on 24 July 2017. A process of Board renewal has now been completed with Mr Andrew Sparke appointed a Non- Executive director on 20 December 2017 and Mr David Clark appointed a Non-Executive Director on 28 June 2018.

The new Board, at a number of its meetings, undertook an internal review of the Company's corporate governance practices and procedures and examined and compared these practices to the current best practice principles and recommendations of the ASX Corporate Governance Council.

The new Board also commissioned an independent legal review of aspects of the certain business and investment activities previously undertaken by the Company and to confirm compliance with the Corporations Act, ASX Listing Rules or other statutory obligations of the Company in its dealings with any Director or any party associated with or related to the Company.

In consultation with the ASX and other stakeholders, the new Board received a confidential report from independent corporate governance specialists providing a review of the Company's practices, policies, procedures and resources for complying with the ASX Listing Rules.

Both reports highlighted apparent departures from generally accepted practices, processes and procedures with regards to related party transactions, share issue procedures, share trading and timing of board engagement in decision making and scheduling of board meetings. Both reports have been forwarded to the ASX.

In January 2018, ASIC advised the Company that an inquiry into certain activities had commenced and issued a Notice under Section 33 of the Australian Securities and Investments Commission Act for information in addition to that included in the Independent Corporate Governance and Independent Legal Review reports. The Company continues to co-operate fully with the ASX and ASIC during this process. ASIC representatives have advised the Company of ASIC Information Sheet 152: "Public Comment". As the matters are ongoing, no further comment can be made at this stage and an update will be made to the market at the appropriate time guided by ASIC and the ASX.

Following the Company's own internal review, receipt of the independent legal review and the report from independent corporate governance specialists, the new Board adopted a new eleven (11) point Corporate Governance Plan on 8 May, 2018.

The new Corporate Governance Plan provides an appropriate framework to support the Board and Company as a whole. The new Corporate Governance Plan summarises written terms of reference for the Company's committees and corporate governance duties, practices and policies. The new Corporate Governance Plan outlines terms of reference for a Board Charter, Corporate Code of Conduct, Audit and Risk committee Charter, Remuneration Committee Charter, Nomination Committee Charter, Disclosure and Performance Evaluation, Continuous Disclosure, Disclosure and Risk Management, Securities Trading Policy, Diversity Policy and Shareholder Communications Strategy. A summary of the new Corporate Governance Plan has been prepared and included in the Corporate Governance section of Company's website at <http://lwptech.com/investor-centre/corporate-governance/>.

Furthermore, the Board is cognisant of the findings of each review and on 8 May 2018 established a Corporate Governance Committee comprising the following Board members:

<b>Corporate Governance Committee</b>	<b>Capacity</b>	<b>Independent</b>	<b>Committee Position</b>
Dan Lanskey	Non-Executive	Yes	Chairman
Andrew Sparke	Non-Executive	No	Member

The Board is mindful that there may be some instances where compliance is not practical due to the Company's current size, the nature of the Board and the magnitude of the Company's operations. A single (or separate) Nomination and Remuneration Committee(s) will be established as the size and nature of the Board and the magnitude of the Company's operations change to accommodate the additional resources required to perform these additional committee 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.

The 2018 Corporate Governance Statement discloses the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council for the financial year ended 30 June 2018 and is published at the same time the LWP 2018 Annual Report is released.

The Recommendations are not mandatory, however the Recommendations that have not been followed for any part of the reporting period have been identified and reasons provided for not following them along with what (if any) alternative governance practices were adopted in lieu of the recommendation during that period.

For the year ended 30 June 2018, the duties that would ordinarily be assigned to individual committees were carried out by the full Board under the written terms of reference for those committees.

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<b>Recommendation 1.1</b>	<b>YES</b>	<p>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.</p> <p>The Board Charter sets out specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan adopted on 8 May, 2018 is available on the Company's website.</p>
<p>A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management</p>		

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <p>a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and</p> <p>b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.</p>	<p><b>YES</b></p>	<p>a) The Company set out guidelines for the appointment and selection of the Board in the Corporate Governance Plan. The Company's Nomination Committee Charter (in the Corporate Governance Plan) requires the Nomination and Remuneration Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director.</p> <p>b) Under the Nomination and Remuneration Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	<p><b>YES</b></p>	<p>The Company's Nomination and Remuneration Committee Charter requires the Nomination and Remuneration Committee (or, in its absence, the Board) to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company has written agreements with each of its Directors and senior executives for the 2018 financial year.</p>
<p><b>Recommendation 1.4</b></p> <p>The company secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>	<p><b>YES</b></p>	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<p><b>Recommendation 1.5</b></p> <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:</p> <p>(i) the measurable objectives for achieving gender diversity set by the Board in accordance with the entity's diversity policy and its progress towards achieving them; and</p> <p>(ii) the respective proportions of men and women on the Board in senior executive positions and across the whole organization.</p>	<p><b>PARTIALLY</b></p>	<p>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 and the Company's progress in achieving them.</p> <p>b) The Diversity Policy is available, as part of the Corporate Governance Plan, is on the Company's website.</p> <p>c)</p> <p>(i) The Board has not established measurable gender diversity objectives at this stage of the Company's development due to the size and nature of the Company's activities. The policy focuses on identifying and removing any barriers to diversity to create a workplace culture of inclusion and equal opportunities.</p> <p>(ii) the respective proportions of men and women on the Board (men 3, women 0), in senior executive positions (men 1, women 0) and across the whole organisation (men 3, female 0) for the past financial year.</p>
<p><b>Recommendation 1.6</b></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;</p> <p>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><b>NO</b></p>	<p>a) The Company's Nomination and Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company did not complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for the past financial year and has elected to defer these until the 2019 financial year due to the size of the Company and the changes being implemented during the year.</p>

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>a) have and disclose a process for periodically evaluating the performance of its senior executives;</p> <p>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><b>YES</b></p>	<p>a) The Company's Nomination and Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Nomination and Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non executive Director.</p> <p>The applicable processes for these evaluations can be found in the Company's 2018 Corporate Governance Plan, which is available on the Company's website.</p> <p>b) Following the Board renewal process undertaken during the 2018 financial year, the Company has completed performance evaluations in respect of the senior executives for the 2018 financial year in accordance with the applicable processes.</p>
<p><b>Principle 2: Structure the Board to add value</b></p>		
<p><b>Recommendation 2.1</b></p> <p>The Board of a listed entity should:</p> <p>a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p>	<p><b>NO</b></p>	<p>a) The Company's Nomination and Remuneration Committee Charter provides for the creation of a Nomination and Remuneration 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>A single (or separate) Nomination and Remuneration Committee(s) will be established as the size and nature of the Board and the magnitude of the Company's operations change to accommodate the additional resources required to perform these additional committee roles.</p>

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<p><b>Recommendation 2.1 (continued)</b></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, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>	<p><b>NO</b></p>	<p>b) The Company did not have a Nomination and Remuneration Committee for the 2018 financial year as the Board did not consider the Company would benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the 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 updating the Company's Board skills matrix; and</p> <p>(ii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.</p>
<p><b>Recommendation 2.2</b></p> <p>A listed entity should have and disclose a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p>	<p><b>YES</b></p>	<p>A Board skills matrix sets out the mix of skills and diversity that the Board has (or is looking to achieve) and to review this mix of skills at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.</p> <p>For the 2018 financial year, the Company adopted a Board skills matrix.</p> <p>Following the Board renewal process undertaken during the 2018 financial year and completion of the Company's own internal review and receipt of the independent external reviews, the Company completed a Board skills matrix for the 2018 financial year and is disclosed below at the conclusion of this Recommendation.</p> <p>The Corporate Governance Plan requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report.</p>

DIRECTOR COMPETENCY MATRIX FOR THE 2018 FINANCIAL YEAR				
			Board and Committee Structure	
			Board	Corporate Governance
<b>Total Directors</b>			3	2
Skills Matrix	Key Area	Competencies	Does the committee collectively have the identified competencies? Yes or No	
<b>Experience and Competencies</b>	Corporate Finance	<ul style="list-style-type: none"> <li>• Financial acumen</li> <li>• Financial reporting and regulations</li> <li>• Capital raising</li> <li>• Debt financing</li> <li>• Mergers, acquisitions and de-mergers</li> </ul>	Yes	Yes
	Corporate Governance	<ul style="list-style-type: none"> <li>• Corporate legislation and statutory requirements</li> </ul>	Yes	Yes
	Strategic Leadership	<ul style="list-style-type: none"> <li>• Measure Executive/KMP performance</li> <li>• Remuneration</li> <li>• Organisational culture</li> <li>• Executive/KMP development and succession planning</li> <li>• Sustainability</li> </ul>	Yes	Yes
	Mineral resources industry	<ul style="list-style-type: none"> <li>• Operations</li> <li>• Asset optimisation</li> <li>• Capital projects and infrastructure</li> </ul>	Yes	Yes
	Risk Management	<ul style="list-style-type: none"> <li>• Safety</li> <li>• Environment</li> <li>• Community</li> </ul>	Yes	Yes
	External Engagement	<ul style="list-style-type: none"> <li>• Business Development</li> <li>• Marketing</li> <li>• Relationship management - community, regulators, business, government</li> </ul>	Yes	Yes
<b>Professional Qualifications</b>	<ul style="list-style-type: none"> <li>• Finance; and/or</li> <li>• Business and Economics; and/or</li> <li>• Technical; and/or</li> <li>• Legal</li> </ul>		Yes	Yes

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>a) the names of the Directors considered by the Board to be independent Directors;</p> <p>b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), 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</p> <p>c) the length of service of each Director</p>	<p><b>YES</b></p>	<p>a) The Corporate Governance Plan requires the disclosure of the names of Directors considered by the Board to be independent. For the 2018 financial year, the Board considers Mr Dan Lanskey to be an independent director.</p> <p>Mr Dan Lanskey was appointed Independent Non-Executive Director and Chairman on 24 July 2017.</p> <p>Mr Andrew Sparke is not considered Independent Director. Mr Sparke is a director of Lanstead Investors Pty Ltd, a subsidiary of Lanstead Capital LP, a substantial shareholder of the Company. Mr Sparke was appointed a Non-Executive Director on 20 December 2017.</p> <p>Mr David Clark is not considered Independent Director as Mr Clark is also Secretary and Chief Financial Officer of the Company. Mr Clark was appointed a Non-Executive Director on 28 June 2018.</p> <p>b) The Company's Annual Report discloses the length of service of each Director, as at the end of each financial year.</p>
<p><b>Recommendation 2.4</b></p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	<p><b>NO</b></p>	<p>The Company's Corporate Governance Plan requires that, where practical, the majority of the Board should be independent.</p> <p>Only one Director meets the independence criteria under the ASX Corporate Governance Council Recommendations with all other Directors either executives or substantial shareholders. The board views shareholdings of Directors are important, although it is outside the ASX Recommendations criteria for independence, as it believes it more correctly aligns the board with shareholders interests. At present the Board considers that the Company is not currently of the size, nor are its affairs of such complexity to justify the expense of the appointment of additional independent Directors. The existing Directors provide the necessary diversity of qualifications, skill and experience and bring quality and independent judgement to all relevant issues.</p> <p>The board acknowledges that a greater proportion of independent Directors is desirable, and as the Company's activities increase in size, nature and scope the size of the board will be re-assessed.</p>



RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<p><b>Recommendation 2.5</b></p> <p>The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.</p>	<p><b>YES</b></p>	<p>The Board Charter as part of the Corporate Governance Plan provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.</p> <p>The Chairman of the Company during the 2018 financial year, Mr Dan Lanskey is considered an independent director as he is the Non-Executive Chairman.</p> <p>Following Board renewal undertaken during the 2018 financial year, the Company appointed Mr Dan Lanskey as the independent Non Executive Chairman on 24 July 2017 following the resignation of Mr Siegfried Konig as Executive Chairman.</p> <p>Refer comments above regarding the boards current position on independence of directors. It is noted as the Company's activities increase in size, nature and scope the size and makeup of the board will be re-assessed.</p>
<p><b>Recommendation 2.6</b></p> <p>A listed entity should have a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.</p>	<p><b>YES</b></p>	<p>In accordance with the Company's Corporate Governance Plan and Board Charter, the Nomination and Remuneration Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development.</p>
<p><b>Principle 3: Act ethically and responsibly</b></p>		
<p><b>Recommendation 3.1</b></p> <p>A listed entity should:</p> <p>a) have a code of conduct for its Directors, senior executives and employees; and</p> <p>b) disclose that code or a summary of it</p>	<p><b>YES</b></p>	<p>a) The Company's Corporate Governance Plan applies to the Company's Directors, senior executives and employees.</p> <p>b) The Company's Corporate Governance Plan (which forms part of the Company's 2018 Corporate Governance Statement) is available on the Company's website.</p> <p>Following the Board renewal process undertaken during the 2018 financial year and completion of the Company's own internal review and receipt of the independent external reviews, the Company's Corporate Code of Conduct is included as part of an eleven (11) point Corporate Governance Plan adopted by the new Board on 8 May, 2018 and is available on the Company's website.</p>

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<b>Principle 4: Safeguard integrity in financial reporting</b>		
<b>Recommendation 4.1</b>	<b>NO</b>	
<p>A listed entity should:</p> <p>a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, who is not the Chair of the Board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>a) The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is 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.</p> <p>The Company did not have an Audit and Risk Committee for the 2018 financial year as the Board did not consider the Company would benefit from its establishment. In accordance with the Company's Corporate Governance Plan, 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>
<b>Recommendation 4.2</b>	<b>YES</b>	
<p>The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>		<p>The Company's Corporate Governance Plan requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms.</p> <p>The Company has obtained a sign off on these terms for each of its financial statements in the 2018 financial year.</p>
<b>Recommendation 4.3</b>	<b>YES</b>	
<p>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.</p>		<p>The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p> <p>The Company's external auditor attended the Company's most recent AGM held on 28 June 2018.</p>

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<b>Principle 5: Make timely and balanced disclosure</b>		
<b>Recommendation 5.1</b>	<b>YES</b>	
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 summary of it.		a) The Corporate Governance Plan provides details of the Company's disclosure policy. In addition, the Corporate Governance Plan provides details of the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation.  b) The Corporate Governance Plan is available on the Company website.  c) The new Corporate Governance Plan received Board approval on 8 May 2018 updates the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation and is available on the Company website.
<b>Principle 6: Respect the rights of security holders</b>		
<b>Recommendation 6.1</b>	<b>YES</b>	
A listed entity should provide information about itself and its governance to investors via its website.		Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
<b>Recommendation 6.2</b>	<b>YES</b>	
A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.		The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.
<b>Recommendation 6.3</b>	<b>YES</b>	
A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.		Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting.
<b>Recommendation 6.4</b>	<b>YES</b>	
A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.		The 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.  Shareholders queries should be referred to the Company Secretary at first instance.

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<b>Principle 7: Recognise and manage risk</b>		
<b>Recommendation 7.1</b>	<b>NO</b>	
<p>The Board of a listed entity should:</p> <p>a) have a committee or committees to oversee risk, each of which:</p> <p style="padding-left: 20px;">(i) has at least three members, a majority of whom are independent Directors; and</p> <p style="padding-left: 20px;">(ii) is chaired by an independent Director,</p> <p>and disclose:</p> <p style="padding-left: 20px;">(iii) the charter of the committee;</p> <p style="padding-left: 20px;">(iv) the members of the committee; and</p> <p style="padding-left: 20px;">(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>		<p>a) The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is 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 Plan is available on the Company's website.</p> <p>b) The Company did not have an Audit and Risk Committee for the 2018 financial year as the Board did not consider the Company would benefit from its establishment. An Audit and Risk Committee not practical due to the Company's current size, the nature of the Board and the magnitude of the Company's operations. In accordance with the Company's Corporate Governance Plan, 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> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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.</li> </ul>
<b>Recommendation 7.2</b>	<b>YES</b>	
<p>The Board or a committee of the Board should:</p> <p>a) review the entity's risk management framework with management 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>a) The Corporate Governance Plan requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound.</p> <p>b) The Company's Board has completed a review of the Company's risk management framework in the past financial year.</p>

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<b>Recommendation 7.3</b>	<b>YES</b>	
<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>a) The Corporate Governance Plan through the Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function.</p> <p>b) The Company did not have an internal audit function for the past financial year.</p>
<b>Recommendation 7.4</b>	<b>YES</b>	
<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>The Corporate Governance Plan through the Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p> <p>The Company's Corporate Governance Plan requires the Company to 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. The Company discloses this information in its Annual Report and on its ASX website as part of its continuous disclosure obligations.</p>
<b>Principle 8: Remunerate fairly and responsibly</b>		
<b>Recommendation 8.1</b>	<b>NO</b>	
<p>The Board of a listed entity should:</p> <p>a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>		<p>a) The Company's Corporate Governance Plan contains a Nomination and Remuneration Committee Charter that provides for the creation of a Nomination and Remuneration Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>b) The Company did not have a Nomination and Remuneration Committee for the 2018 financial year as the Board did not consider the Company would benefit from its establishment, and does not currently have one. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>(i) the Board devotes time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives</p> <p>A single (or separate) Nomination and Remuneration Committee(s) will be established as the size and nature of the Board and the magnitude of the Company's operations change to accommodate the additional resources required to perform these additional committee roles.</p>

## CORPORATE GOVERNANCE STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

RECOMMENDATIONS (3RD EDN)	COMPLY	EXPLANATION
<b>Recommendation 8.2</b>	<b>YES</b>	
<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 and ensure that the different roles and responsibilities of non-executive Directors compared to executive Directors and other senior executives are reflected in the level and composition of their remuneration.</p>		<p>The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in the Company's Annual Report.</p>
<b>Recommendation 8.3</b>	<b>NO</b>	
<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 summary of it.</p>		<p>a) The Company did not have an equity based remuneration scheme during the 2018 financial year. The Company did not 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.</p> <p>b) This subclause is not applicable.</p>