



RESOURCES & ENERGY

Resources & Energy Group Limited

ASX Release

5 July 2022

Resources & Energy Group Limited (ASX: REZ or the Company) provides ASX an updated Corporate Governance Statement for the financial year ended 30 June 2021. The update includes amendments contained in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition.

These statements have been approved by the Board on 4 July 2022.

Further information:

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Approved for Release by the REZ Board

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Resources & Energy Group Limited

ABN/ARBN

12110005822

Financial year ended:

30 June 2021

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: rezgroup.com.au/investors

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 4 July 2022

Name of authorised officer
authorising lodgement:
Warren Kember

¹ "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.

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 Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3. The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ 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.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☒ in our Board Charter at www.rezgroup.com.au/investors	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate governance/charters/”).

⁵ 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.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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: ☒ in our Corporate Governance Statement	
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	... the fact that we have a diversity policy that complies with paragraph (a): ☒ in our Corporate Governance Statement ... and a copy of our diversity policy or a summary of it: ☒ at www.rezgroup.com.au/investors ... 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: ☒ in our Corporate Governance Statement ... and the information referred to in paragraph (c)(2) and (3) ☒ in our Corporate Governance Statement	

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement ☒ at this location: www.rezgroup.com.au/investors ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement	
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	... the evaluation process referred to in paragraph (a): ☒ in our Corporate Governance Statement ... and the information referred to in paragraph (b): ☒ in our Corporate Governance Statement	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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.	...a copy of the charter of the committee: ☒ at this location: www.rezgroup.com.au/investors we have disclosed the fact we do not have a nomination committee and the processes we employ to handle 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. ☒ in our Corporate Governance Statement	
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	... our board skills matrix: ☒ in our Corporate Governance Statement	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: ☒ in our Corporate Governance Statement and ☒ in the 2021 Annual Report – Directors Report ... where applicable, the information referred to in paragraph (b): ☒ in our Corporate Governance Statement ...and the length of service of each director: ☒ in the 2021 Annual Report – Directors Report	
2.4	A majority of the board of a listed entity should be independent directors.		☒ an explanation why that is so in our Corporate Governance Statement
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	... our code of conduct or a summary of it: ☒ in our Corporate Governance Statement ☒ at this location: www.rezgroup.com.au/investors (Code of Conduct)	
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	... our code of conduct or a summary of it: ☒ in our Corporate Governance Statement ☒ at this location: www.rezgroup.com.au/investors (Corporate Charter)	
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	... our whistleblower policy or a summary of it: ☒ in our Corporate Governance Statement ☒ at this location: www.rezgroup.com.au/investors (Corporate Charter)	
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	... we had in place an anti-bribery and corruption policy for the period. No breaches were noted during the period	the Corporate Governance Statement on the Company's web site was not updated for the anti-bribery and corruption policy, which is now ☒ at this location: www.rezgroup.com.au/investors (Corporate Charter)

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (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 (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.	... a copy of the charter of the committee: ☒ at this location: www.rezgroup.com.au/investors (Audit and Risk Committee Corporate Charter) ... and the information referred to in paragraphs (4) and (5): ☒ in the 2021 Annual Report – Directors Report ... 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: ☒ in our Corporate Governance Statement	
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.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	... our continuous disclosure compliance policy or a summary of it: ☒ in our Corporate Governance Statement and ☒ at this location: www.rezgroup.com.au/investors Corporate Charter – “Continuous Disclosure”	
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	... the fact that we follow this recommendation: ☒ 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: ☒ at this location: www.rezgroup.com.au/investors	
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: ☒ in our Corporate Governance Statement	
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ in our Corporate Governance Statement	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒ All shareholder votes were conducted by poll	
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... our process for facilitating electronic communication is ☒ in our Corporate Governance Statement	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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.	... and a copy of the charter of the committee: ☒ at this location: www.rezgroup.com.au/investors (Audit and Risk Committee Charter) ... 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: ☒ in our Corporate Governance Statement	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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 that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that we follow this recommendation: ☒ in our Corporate Governance Statement	
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 governance, risk management and internal control processes.	... 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: ☒ in our Corporate Governance Statement	
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	... 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: ☒ in the 2021 Annual Report – Directors Report	

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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.	☒ the charter of the committee at this location: www.rezgroup.com.au/governance (Nomination and Remuneration Committee Charter) ... 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: ☒ in our Corporate Governance Statement	
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.	... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: ☒ in the 2021 Annual Report – Directors Report	
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.		Directors are under general obligation to disclose interests as per the Code of Conduct. Specific policy will be formulated and implemented when the situation arises

Key to Disclosures Corporate Governance Council Principles and Recommendations

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ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	Not applicable	Policy will be implemented when the need arises
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Not applicable	
9.3	A listed entity established outside Australia, and an externally managed 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.	Not applicable	
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	Not applicable	
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	Not applicable	

RESOURCES & ENERGY GROUP LIMITED

CORPORATE GOVERNANCE STATEMENT



This Corporate Governance Statement (**Statement**) of Resources & Energy Group Limited (**REZ** or the **Company**) is for the year ended 30 June 2021 (**FY2021**). The Statement was approved by the Board on 4 July 2022.

This Corporate Governance Statement discloses the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company has adopted.

The Company has in place a Corporate Governance Plan (**Plan**) which provides the written terms of reference for the Company's corporate governance duties. The Board notes that the Company's current size and nature its operations, means that full adoption of the Recommendations is currently not practical. The Board will continue to work towards full adoption of the ASX Recommendations in line with growth and development of the Company.

The Company's Plan, which includes its Board Charter and other policy documents, is on the Company's website at rezgroup.com.au/investors.

Principle 1: Lay solid foundations for management and oversight

The Board of is responsible for its corporate governance and monitors its business affairs on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board of Directors carries out its responsibilities according to the following policies and processes:

- the Board should comprise at least three directors, with at least two being non-executive directors;
- the Chairman of the Board should be a non executive director;
- the directors should possess a broad range of skills, qualifications and experience;
- the Board considers the mix of skills and the diversity of board members;
- the Board should meet at least on a quarterly basis;
- all available information in connection with items to be discussed at a meeting of the Board shall be provided to each director prior to that meeting;
- the approval of the annual and half yearly financial report;
- the establishment of long-term goals for the Company and strategic plans to achieve those goals;
- the review and adoption of annual budgets for the financial performance of the Company and monitoring the results on a quarterly basis;
- the review the performance of the Board in meeting its objectives;
- ensuring that the Company has implemented adequate internal controls together with the appropriate monitoring of compliance activities; and
- ensuring that the Company is able to pay its debts as and when they fall due.

Directors are required to disclose any potential conflicts of interest which to the Company's activities, including material person interests held of the Company's securities or trading thereon.

The Chair conducted a review of the Board and staff performance during FY2021.

Principle 2: Structure the Board to add value

The Board reviews its membership regularly to ensure that it has available for its activities an appropriate mix of skills. The Board also seeks to ensure that it has several independent, non-executive directors who can challenge executive directors and hold them to account. A publicly disclosed board skills matrix (refer below) sets out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

To fulfil the function of the Board and to govern the business effectively, Board members need to be able to contribute to the development of strategy and assess the performance of management. In addition, as a Company, the Board must have a mix of skills and experience in:

- corporate governance;
- business strategy;
- executive leadership;
- financial acumen; and
- the resources sector, with a particular focus on mining exploration and evaluation.

The following table provides more detail on the key skills and experience that the Company requires from its Board, and the extent to which these attributes are currently represented on the Board.

Skills and experience	Attributes	Number of directors
Corporate governance expertise	Commitment to the highest standards of governance and an ability to assess the effectiveness of senior management.	3
Strategy skills	Skills in developing and implementing successful business strategy, including appropriately overseeing management on the delivery of agreed strategic planning objectives.	3
Executive leadership experience	Successful career with experience at a very senior executive level.	3
Financial acumen	Senior executive or equivalent experience in financial accounting and reporting, corporate finance and internal financial controls, including an ability to probe the adequacies of financial and risk controls.	3
Relevant industry experience	Senior executive experience in the mining or mining services sector, including in-depth knowledge of the Company's strategy, markets, competitors, operational issues, technology and regulatory concerns.	3
Health, safety and environmental management skills	Experience related to workplace health and safety, environmental and social responsibility, and community	1
Remuneration management skills	Relevant experience in relation to remuneration setting including incentive programs and pensions/superannuation and the legislation and contractual framework governing remuneration.	2

The Company discloses the experience and background of each of its directors in its Annual Report. The function of the Chairman and the other directors are separate. Prior to appointment any director or senior manager's backgrounds are verified where the candidate is not known personally by the Chair or other directors.

The Chair undertakes all induction of new directors and regularly reviews the skills of each director and arranges professional development where necessary.

The Company Secretary reports to the Chair on all matters concerning the Board's activities and responsibilities, including the:

- advising the Board and its committees on governance matters;
- monitoring that Board and committee policy and procedures are followed;
- timely completion and despatch of Board and committee papers;
- ensuring business at Board and committee meetings is accurately captured in the minutes; and
- assist with the induction and professional development of directors.

During FY2021 the majority of the Board were non-executive directors. The Board consists of two non-Executive Directors (Mr Rezos and Ms Bruce) and one Executive Director (Mr Poole), however due to the length of service of Ms Bruce only Mr Rezos was considered independent. Upon the appointment of Mr Moore as non-executive director in July 2021, the majority of the board were then independent at that time.

While the Company has awarded performance-based remuneration, as detailed in its Annual Reports, to members of the Board, this is not considered to have raised issues of independence in the Board's decision making due to the size of the award in relation to directors' other personal interests.

The Board is committed to having an appropriate blend of diversity on the Board. It recognises the benefits arising from Board diversity and the importance of benefiting from all available talent. Accordingly, the Company has established a diversity policy as part of the Plan.

The Plan outlines requirements for the Board to develop measurable objectives for achieving diversity and annually assess both objectives and the progress in achieving those goals. According, the Board has developed an objective regarding gender diversity of at least one third female directors or employees as director and senior executive positions as they become available.

This goal was achieved for most of FY2021 in respect of Board representation. However, on the passing of Ms Bruce and the subsequent appointment of Mr Daniel Moore, the Board did not meet its gender diversity goals. The Board may consider adding additional directors in the future. Aside from the Board and Company Secretary the Company has only three permanent staff members, one of which is female.

With the prior approval of the Chairman, each Director has the right to seek independent legal and professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

The Board believes in and supports lawful, ethical and responsible decision making. The Company's values are contained in the Corporate Code of Conduct.

The Board endeavours to ensure that the Directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities.

Specifically, that Directors, officers and employees must:

- comply with the law;
- act in the best interests of the Company;
- be responsible and accountable for their actions; and
- observe the ethical principles of fairness, honesty and truthfulness, including disclosure of potential conflicts.

The Company's Plan includes policies regarding Directors and employees trading in its securities is set by the Board. The policies adopted restricts Directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

Material breaches of the Corporate Code of Conduct need to be reported to the Board.

The Company has in place policies in respect of whistle-blowers and anti-bribery and anti-corruption which are available on the Company's web site. All material incidents are to be reported to the Board, none were noted during FY2021.

Principle 4: Safeguard integrity in corporate reporting

During the financial year the Board decided that the functions of an Audit and Risk committee should be assumed by the full board until the company had further progressed its development. The function of an Audit and Risk Committee to provide a forum for the effective communication between the Board and the external auditors are therefore available to all directors.

In fulfilling this function the Board reviews:

- the annual and half yearly financial report;
- the effectiveness of management information systems and systems of internal control; and
- the efficiency and effectiveness of the external audit function.

The Board requests the Company's external auditor attend the annual general meeting and be available to answer shareholder questions about conduct of the audit, and the preparation and content of the auditor's report.

The Board reviews all releases made to ASX, with particular emphasis on those that are not subject to external audit review or audit, such as the quarterly cash flow statements. Information provided in those releases is compared to regular board reporting and inquires to ensure accuracy.

Principle 5: Make timely and balance disclosure

The Board and Company Secretary are appointed as the parties responsible for communications with the ASX. They are also responsible for ensuring compliance with the continuous disclosure requirements in the ASX listing rules and overseeing and coordinating information disclosure to the ASX.

The Board is responsible for the communications strategy to promote effective communications with shareholders and encourage effective participation at general meetings. The Company adheres to best practice in its preparation of notices of meetings to ensure all shareholders are fully informed.

The Board is emailed copies of all releases made to ASX by the Company Secretary immediately upon confirmation of their release. Investor updates are released to ASX prior to being presented.

Principle 6: Respect rights of security holders

As part of the Board's commitment to the highest standards of conduct, the Company adopts a code of conduct to guide executives, management and employees in carrying out their duties and responsibilities.

The code of conduct covers such matters as:

- responsibilities to shareholders;
- compliance with laws and regulations;
- relations with customers and suppliers;
- ethical responsibilities;
- employment practices; and
- Responsibilities to the environment and the community.

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 Plan.

Shareholders are encouraged to participate at all general meetings and AGMs of the Company and such participation is facilitated by the share registry. 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.

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.

All shareholder resolutions during FY2021 were conducted by poll.

Principle 7: Recognise and manage risk

The Board is responsible for the Company's system of internal controls. The Board constantly monitors the operation and financial aspects of the Company's activities and considers the recommendations and advice of external auditors and other external advisers on the operations and financial risks that face the Company.

The Board ensures that recommendations made by the external auditors and other external advisers are investigated and, where considered necessary, appropriate action is taken to ensure that the Company has an appropriate internal control environment in place to manage the key risks identified.

In addition, the Board investigates ways of enhancing risk management strategies, including appropriate segregation of duties and the employment and training of suitably qualified and experienced personnel.

Principle 8: Remunerate fairly and responsibly

During the financial year the Board decided that the functions of a Remuneration Committee/Nomination Committee would be undertaken by the full Board until the company had further progressed its development. The function of a Remuneration Committee/Nomination Committee to provide a forum for the decision making on employment and remuneration issues is therefore available to all directors.

The Board reviews the remuneration policies applicable to all Directors and Executive Officers on an as needed basis. Remuneration packages, which consist of base salary, fringe benefits, incentive schemes (including performance related bonuses), superannuation, and entitlements upon retirement or termination, are reviewed with due regard to performance and other relevant factors.

In order to retain and attract executives of sufficient calibre to facilitate the efficient and effective management of the Company's operations, the Remuneration Nomination Committee occasionally seeks the advice of external advisors in connection with the structure of remuneration packages.

- salary and associated superannuation;
- fixed directors fees; and
- performance based bonuses.

Non-Executive Directors previously received fixed directors' fees only, and did not participate in any performance-based remuneration. The Chairman, Mr Rezos was awarded share options during a prior financial year as detailed in the Annual Report. As these options are nearing the end of their life, a new proposal as detailed in a notice of meeting was put to shareholders to align directors and shareholders interests.

Fixed directors' fees may be paid in the form of cash, share options or a combination of both. Share options are issued on similar terms to previous issues by the entity and are in lieu of cash, not based on performance of the entity.

Full remuneration disclosure, including superannuation entitlements, are contained in the Directors Report. The Board ensures that all equity based executive remuneration is made within the guidelines set by plans approved by Shareholders. Directors are under an obligation to disclose all personal interests in the Company's securities in accordance with the Board Charter. A Trading Policy sets out requirements for buying and selling of the Company's securities.

The Board considers the appointment and retirement of non-executive directors on a case by case basis. In doing so, the Board must take into account the requirements of Listing Rules and the *Corporations Act 2001*. Currently all Directors are required to be re-elected at least every three years, and at least one-third of Directors must retire at each Annual General Meeting.

This process also includes ongoing evaluation of the performance of the Board and its individuals according to the goals, objectives and primary responsibilities of each director.