

**JERVOIS MINING LIMITED**  
**ACN 52 007 626 575**

**CORPORATE GOVERNANCE STATEMENT – FOR THE FINANCIAL YEAR ENDING 30 JUNE 2018**

This Corporate Governance Statement is current as at 13 September 2018 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company has, during the financial year ending 30 June 2018, 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 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.

The Company has adopted a number of Committee Charters and Policies which provides the written terms of reference for the Company's corporate governance duties.

The Company's Corporate Governance Statement as well as the Committee Charters and Policies referred to below are available on the Company's website at [www.jervoismining.com.au](http://www.jervoismining.com.au).

Principles and Recommendations	Current Practice and Compliance	Reason for Non-compliance
<b><u>Principle 1 – Lay solid foundations for management and oversight</u></b>		
1.1 Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	The Board has adopted a Board Charter which sets out the responsibilities of the Board. Any functions not reserved for the Board and not expressly reserved for members by the Corporations Act and ASX Listing Rules are reserved for senior executives.	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 provide security holders with all material information relevant to  (b) decision on whether or not to elect or re-elect a Director.	(a) The Company has guidelines for the appointment and selection of the Board in its Remuneration and Nomination Committee Charter. The Company's Nomination Committee Charter requires the Nomination Committee 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.  (b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director	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 Company's Nomination Committee Charter requires the Nomination Committee to ensure that each Director and senior executive is a party to a written	Not applicable

agreement with the Company which sets out the terms of that Director's or senior executive's appointment.

The Company has had written agreements with each of its Directors and senior executives for the past financial year.

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| 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 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.  | Not applicable.   |
| 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 or it; and</p> <p>(c) disclose as at the end of each reporting period:</p> <p style="padding-left: 20px;">(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 style="padding-left: 20px;">(ii) either:</p> <p style="padding-left: 40px;">(A) 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 style="padding-left: 40px;">(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 the Workplace Gender Equality Act.</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 (if any have been set) and the Company's progress in achieving them.</p> <p>(b) The Diversity Policy is available on the Company's website.</p> | <p>The Board did not set measurable gender diversity objectives for the past financial year, because:</p> <p style="padding-left: 20px;">(i) the Board did not anticipate there would be a need to appoint any new Directors or senior executives due to limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; and</p> <p style="padding-left: 20px;">(ii) if it became necessary to appoint any new Directors or senior executives, the Board considered the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit: and</p> <p style="padding-left: 20px;">(A) the Company did not have any women on the Board or in senior executive positions for the past financial year.</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 Company's Nomination Committee Charter allows 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 Nomination Committee Charter, which is available on the Company's website.</p>  | <p>Due to the Company's size and the appointment of the majority of the board during the past financial year, there was no evaluation in the period. The Company anticipates that there will be an evaluation during the current financial period.</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>A performance evaluation of senior executives has not been completed during the reporting period.</p>	<p>Due to the Company's size the board did not consider it necessary to formally review the performance of its senior executives however it intends to in the current financial year.</p>
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## **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>(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 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>The Company's Nomination Committee Charter provides for the creation of a Nomination Committee, with at least three members, a majority of whom are Independent Directors, and which must be chaired by an independent Director.</p> <p>The members of the Nomination Committee are Michael Rodriguez, Brian Kennedy and Stephen van der Sluys.</p> <p>The Nomination Committee met once during the financial year with all members attending.</p> <p>A copy of the Nomination Committee Charter is available on the Company's website.</p>	<p>Not applicable</p>
2.2	<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>The Company has a Board skill matrix setting out the mix of skills and diversity that the Board currently in its membership.</p> <p>The Board Charter requires the disclosure of each Board member's Qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report.</p>	<p>Not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors;</p> <p>(b) if a Director has an interest, position, association or relationship of the type described in Box 2.3</p>	<p>(a) The Board Charter requires the disclosure of the names of Directors Considered by the Board to be independent. Mr Peter Johnston, Mr Michael Rodriguez, Mr Brian Kennedy and Mr Stephen van Der Sluys are considered independent.</p>	<p>Not applicable.</p>

	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 (c) the length of service of each Director	(b) There are no independent Directors who fall into this category. (c) The Company's Annual Report discloses the length of service of each Director, as at the end of each financial year.	
2.4	A majority of the Board of a listed entity should be independent Directors.	The Company's Board Charter requires that, where practical, the majority of the Board should be independent. There are 5 directors on the board of which are 4 independent directors.	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 Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.  Mr Peter Johnston is the Chair of the Board and is independent.	Not applicable
2.6	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.	In accordance with the Company's Board Charter, the Nominations Committee 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.	Not applicable.

### **Principal 3 – Promote ethical and responsible decision-making**

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.	(a) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees. (b) The Company's Corporate Code of Conduct is available on the Company's website.	Not applicable.
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### **Principle 4 - Safeguard integrity in financial reporting**

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,	The Company has an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee, with at least two members, all of whom must be independent Directors, and which must be chaired by an independent Director who is not the Chair.  Mr Michael Rodriguez and Mr Stephen van der Sluys are the members of the Audit committee and they met once during the financial year and once subsequent to the	The Company has had an Audit and Risk Committee since march 2018.
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and disclose:

(i) the charter of the committee;  
(ii) the relevant qualifications and experience of the members of the committee; and  
(iii) 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 financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

end of the financial year.

The Audit Committee Charter is available on the Company's website.

- 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 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 Company has obtained a sign off on these terms for each of its financial statements in the past financial year.

Not applicable.

- 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 Company's external auditor attended the Company's last AGM during the past financial year.

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.

(a) The Company has a Continuous Disclosure Policy that details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation a copy of which is available on the Company's website

Not applicable.

#### **Principal 6 – Respect the rights of security holders**

- 6.1 A listed entity should provide information about itself and its

Information about the Company and its governance is available on the Company's

Not applicable

	governance to investors via its website.	website.	
6.2	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 Policy which aims to promote and facilitate effective two-way communication with investors. The policy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website.	Not applicable.
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.	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.	Not applicable.
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.	The Shareholder Communication Policy 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 on 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.	Not applicable.

#### **Principal 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>(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; (iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	<p>The Company's Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee, with at least two members, all of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>Mr Michael Rodriguez and Mr Stephen van der Sluys are the members of Risk Committee.</p>	The Risk Committee did not meet during the financial year. The board of the Company, along with senior management actively consider risk in its operations on an ongoing basis.
7.2	<p>The Board or a committee of the Board should:</p> <p>(a) review the entity's risk</p>	(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee should, at least annually, satisfy itself that	Not applicable.

	management framework with management 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.	The Company's risk management framework continues to be sound. (b) The Company's Board has not completed a review of the Company's risk management framework in the past financial year.	
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	(a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function. (b) The Company did not have an internal audit function for the past financial year. The Company employed the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes:  (i) the Board monitors the need for an internal audit function having regard to the size, location and complexity of the Company's operations; (ii) the Board periodically undertakes an internal review of financial systems and processes where systems are considered to require improvement these systems are developed; and (iii) The Board reviews risk management and internal compliance procedures at each Board meeting and monitors the quality of the accounting function.	Not applicable.
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.	The Audit and Risk Committee Charter requires the Audit and Risk Committee to assist management determine whether the Company has any material exposure to environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company's Continuous Disclosure Policy 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 as part of its continuous disclosure obligations.	Not applicable.

#### **Principal 8 – Remunerate fairly and responsibly**

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;	The Company's has a Remuneration Committee Charter that provides for the creation of a Remuneration Committee, with at least three members, a majority of whom must be independent Directors, and which must be chaired by an independent Director.  Mr Michael Rodriguez, Mr Brian Kennedy and Mr Stephen van der Sluys are the members of the Remuneration Committee	Not applicable
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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 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.

and they met once during the financial year.

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| 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 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. | The Company's Remuneration Committee Charter requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in its Annual Report. | Not applicable. |
| 8.3 | A listed entity which has an equity-based remuneration scheme should:<br>(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<br>(b) disclose that policy or a summary of it.   | Not applicable   | Not applicable. |