

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Percheron Therapeutics Limited

ABN/ARBN

41095060745

Financial year ended:

30 June 2024

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

☐ These pages of our annual report:

☒ This URL on our website:

<https://percherontx.com/investors/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 29 August 2024 and has been approved by the board.

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

Date: 29 August 2024

Name of authorised officer
authorising lodgement:

Deborah Ambrosini - Company Secretary

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 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 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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(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</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of our diversity policy at: https://percherontx.com/investors/corporate-governance/</p> <p>and we have disclosed the information referred to in paragraph (c) at:</p> <p>Please see Recommendation 1.5 of the Company's Corporate Governance statement at https://percherontx.com/investors/corporate-governance/</p> <p>and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p> <p>Not applicable – the entity was not in the S&P/ASX300 Index at the commencement of the reporting period.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Recommendation 1.6 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Recommendation 1.6 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>Recommendation 1.7 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>Recommendation 1.7 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> <p>Due to the size and nature of the existing board and the magnitude of the Company's operations the committee is currently composed of two (2) Non-executive Directors who are both considered to be independent. The CEO and Managing director attends all committee meetings by invitation.</p> <p>The Chair of the committee is considered to be independent.</p> <p>and we have disclosed a copy of the charter of the committee at: https://percherontx.com/investors/corporate-governance/</p> <p>Details of members and meeting attendance of the Nomination Committee are set out in the Directors' Report contained in the Annual Report on the Company's website.</p>
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.	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our board skills matrix at:</p> <p>Recommendation 2.2 of the Company's Corporate Governance Statement</p> <p>https://percherontx.com/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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
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.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors in the Annual Report: https://percherontx.com/investors/corporate-governance/ and, where applicable, the information referred to in paragraph (b) at: [insert location] and the length of service of each director can be found in the Annual Report at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed 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 at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p> <p>Due to the size and nature of the existing board and the magnitude of the Company's operations the committee is currently composed of two (2) non-executive directors who are both considered to be independent.</p> <p>The Audit and Risk Committee is chaired by an independent director who is not the Chair of the Board.</p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>https://percherontx.com/investors/corporate-governance/</p> <p>Details of members and meeting attendance for members of the Audit and Risk Committee are set out in the Directors' Report contained in the Annual Report.</p>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out 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.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out 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.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: Recommendation 6,3 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement

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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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed 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 at:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p> <p>The Company manages ongoing risk through the Audit and Risk Committee. The Audit and Risk Committee is tasked with the oversight of risk management and internal control processes. The role and responsibilities of the Audit and Risk Committee are outlined in Recommendation 4.1 of this Corporate Governance Statement. The Committee consists of Non-executive independent Directors and membership is specified in the annual report of the Company.</p> <p>Due to the size and nature of the existing board and the magnitude of the Company's operations the committee is currently composed of two (2) Non-executive Directors who are both considered to be independent.</p> <p>The Audit and Risk Committee is chaired by an independent director who is not the Chair of the Board.</p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>https://percherontx.com/investors/corporate-governance/</p> <p>Details of meeting attendance for members of the Audit and Risk Committee are set out in the Directors' Report contained in the Annual Report.</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

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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.	<input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: Recommendation 7.2 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out 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.	<input type="checkbox"/> <i>[If the entity complies with paragraph (a):]</i> and we have disclosed how our internal audit function is structured and what role it performs at: <i>[insert location]</i> <i>[If the entity complies with paragraph (b):]</i> and we have disclosed 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 at: <i>[insert location]</i>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement Due to the size and magnitude of the Company's operations, the Company does not currently have an internal audit function. The board reviews management accounts and reports, including cashflow forecasts, monthly and reviews and amends internal controls processes as appropriate. The Company's external auditors also provide recommendations to the board where internal control weaknesses have been identified. The Board does not consider an internal audit function appropriate or necessary at this stage in the Company's development and will continue to review periodically whether circumstances have changed sufficient to warrant the establishment of an internal audit function.
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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: Recommendation 7.4 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/ and, if we do, how we manage or intend to manage those risks at:	<input type="checkbox"/> set out 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
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>.....</p> <p><i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> <p>Due to the size and nature of the existing board and the magnitude of the Company's operations the committee is currently composed of two (2) Non-executive Directors who are both considered to be independent.</p> <p>The Remuneration Committee is chaired by an independent director.</p> <p>and we have disclosed a copy of the charter of the committee at: https://percherontx.com/investors/corporate-governance/</p> <p>Details of meeting attendance for members of the Remuneration Committee are set out in the Directors' Report contained in the Annual Report.</p>
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.	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at:</p> <p>Recommendation 8.2 of the Company's Corporate Governance Statement</p> <p>https://percherontx.com/investors/corporate-governance/</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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
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.	<input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: Recommendation 8.3 of the Company's Corporate Governance Statement https://percherontx.com/investors/corporate-governance/	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input type="checkbox"/> and we have disclosed information about the processes in place at: [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore 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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

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
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the information referred to in paragraphs (a) and (b) at:</p> <p>.....</p> <p>[insert location]</p> <p>Not applicable</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p>[insert location]</p> <p>Not applicable</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

This Corporate Governance Statement of Percheron Therapeutics Limited (the “Company”) is prepared in accordance with ASX Listing Rule 4.10.3. This statement outlines the main Corporate Governance Practices adopted and approved by the Board of Directors as at 29 August 2024.

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Introduction

The Board and Management of the Company are committed to maintaining high standards of ethics, integrity and statutory compliance in all Company dealings.

The Corporate Governance Statement describes the Company’s Corporate Governance Framework in accordance with the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (4th Edition) published on 27 February 2019 (“the ASX Principles and Recommendations”), by reference to each of the stated principles. The Corporate Governance Statement identifies where certain recommendations were not followed for the entire reporting period.

The Corporate Governance Statement complements, and should be read in conjunction with, information contained in the Company’s Annual Report and governance documents, which are available on the Company’s website at www.percherontx.com.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1

A listed entity should have and disclose a board charter setting out:

(a) the respective roles and responsibilities of its board and management; and

(b) those matters expressly reserved to the Board and those delegated to management.

The Company has adopted a Board Charter that can be found on the Company’s website.

The Board is responsible for the overall governance, management and strategic direction of the Company. Management is responsible for the day-to-day operation of the Company, which it undertakes within a framework of specific delegated authority and approval limits.

The Board's primary role is to represent and protect the interests of the Company's stakeholders. To fulfil this role the Board is responsible for the overall governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Board is responsible for, amongst other things:

- the development, implementation and alteration of the strategic direction of the Company, including future expansion of business activities;
- risk management, assessment and monitoring. The risk management framework of the Company is reviewed at least once during each Reporting Period, and it is to be disclosed if such review has taken place as part of the periodic reporting obligations of the Company;
- ensuring appropriate external reporting to shareholders, the ASX, ASIC and other stakeholders;
- encouraging ethical behaviour, including compliance with the Company's governing laws and procedures and compliance with corporate governance standards; and
- establishing targets and goals for Senior Management to achieve and monitoring the performance of Senior Management.

Recommendation 1.2

A listed entity should:

(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and

(b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.

The Board has established detailed guidelines for the appointment and selection of Directors. The Board undertakes appropriate background and suitability checks before appointing a person to the board.

The Company provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

For further details please refer to the Board Charter which is located on the Company's website.

Recommendation 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 has a written agreement with each Director and Senior Executive setting out the terms of their appointment.

The terms and conditions of appointment and retirement of Non-executive Directors are set out in the letter of appointment. Senior Executives are provided with contract of employment incorporating formal job descriptions and performance parameters.

The Board has resolved that the appointment and/or removal of a Company Secretary shall be a matter for decision by the Board.

For further details please refer to the Remuneration Report contained in the Company's Annual Report which can be found on the Company's website.

Recommendation 1.4

The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do proper functioning of the Board.

The Company Secretary provides administrative assistance to the Board and manages the relationship between the Company and the ASX, other regulators, the Company's share registry and other service

providers. The Company Secretary assists in the conduct of board meetings by despatching agendas and board papers and taking minutes at meetings. All Directors have access to the Company Secretary who is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

Recommendation 1.5

A listed company 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 reporting period:**
 - (1) the measurable objective 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.**

The Percheron Therapeutics Diversity Policy is available on the Company's website. The policy has assisted the Company in achieving diversity in the composition of its Board, Senior executives and workforce generally.

The Company values diversity amongst its personnel and the valuable contribution that diversity can make to the Company. The Company's workforce is comprised of people from different backgrounds with a range of skills, values and experiences. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

The Company is committed to providing an environment in which all employees are treated with fairness and respect and have equal access to opportunities available in the workplace. The Company aims to recruit staff at all levels from as diverse a pool of qualified candidates as reasonably possible based on their skills, qualifications and experience.

The Board has not set measurable objectives with regard to gender diversity as the Board is currently satisfied with the level of diversity within the Company, noting the very small number of personnel in the organisation.

Gender diversity of the Company's workforce at the date of this report appears in the table below.

	Total	No. of men	% men	No. of women	% women
Directors	3	2	67	1	33
Senior executives	4	2	50	2	50
Employees	5	3	60	2	40
Whole organisation	12	7	58	5	42

The Policy is reviewed by the Board annually to ensure it remains appropriate and is operating effectively. The Company is below the threshold of 100 employees for reporting under the Workplace Gender Equality Act 2012.

Recommendation 1.6

A listed company should:

- (a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and***
- (b) disclose in relation to each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.***

The Board considers the ongoing development and improvement of its own performance, the performance of Board committees and individual Directors as critical to effective governance.

The Board utilises an online, confidential Board performance review questionnaire as part of its Board performance review. The performance of the Board, Board committees and individual directors is reviewed annually by the Board as a whole and assists with the review of the current and anticipated future composition and skills mix of the directors of the Company. A performance review as described above occurred during the reporting period.

For further information please refer to the Board Charter which is located on the Company's website.

Recommendation 1.7

A listed company should:

- (a) have and disclose a process for periodically evaluating the performance of 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 Company undertakes an annual performance review process for all staff, including its Senior Executives. The Board reviews the outcomes of this process on an annual basis. The Board also reviews the performance of the CEO on an annual basis.

The Company has completed performance evaluations in respect of all employees, including Senior Executives, for the past financial year, in accordance with the Company's performance review process.

Principle 2: Structure the Board to be effective and add value

Recommendation 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 process 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.***

Due to the size and nature of the existing Board and the magnitude of the Company's operations the

committee is currently composed of two (2) Non-executive Directors who are both considered to be independent. The CEO and Managing director attends all committee meetings by invitation.

The Chair of the committee is considered to be independent.

The Board understands the benefits in having a diversity of Directors with a mix of skills, knowledge and independence to enable the Board to discharge its duties and responsibilities effectively. The Board will seek external advice where necessary in connection with the recruitment and appointment of additional Directors.

The Board devotes time as required to discuss Board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.

The Board regularly updates the Company's Board Skills Matrix to assess the appropriate balance of skills, experience, independence and knowledge of the entity.

Details of members and meeting attendance of the Nomination Committee are set out in the Directors' Report contained in the Annual Report on the Company's website.

A copy of the Nomination Committee Charter can be found on the Company's website.

Recommendation 2.2

A listed entity should have and disclose a board skills matrix setting the mix of skills that the Board currently has or is looking to achieve in its membership.

As noted in the response to Principle 1 above, the Board regularly reviews its own composition, skills and capability. The Company encourages and supports Directors to maintain and expand their own professional development consistent with the needs of the Company. The Company has a programme for inducting new Directors.

Details of each current Director's skills, experience and expertise is set out in the Directors' Report included in the Annual Report of the Company along with the term of office held by each of the Directors.

The Board skills and experience matrix reflects the skills and experience of the Directors in office at the date of this report.

Board Skills and Experience Matrix	Total		Total
Senior management experience		Professional qualifications	
CEO / MD	2	Finance / Economics	2
CFO / Finance	-	Humanities / Public Policy	2
COO / Operations	-	Law	-
Other C-Level Mgt (inc. Co Sec)	1	Medicine / Healthcare / Research	3
Industry – same as Company	3	MBA	1
– other	-	AICD Member, Graduate or Fellow	2
Directorships (current and previous)		Gender	
Industry – same as Company	3	Female	1
– other	-	Male	2
Tenure – 10 + years	1		
– under 10 years	1		
Geographic experience		Relevant professional experience	
(executive and director)		(executive and director)	
Australia	3	less than 10 years	-
Developed countries	2	10 to 19 years	2
Developing countries	1	20 to 29 years	-
		30 + years	1

Recommendation 2.3

A listed entity should disclose:

- (a) the names of Directors considered by the Board to be independent directors;***
- (b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (4th 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.***

As noted in response to 'Principle 1: Lay solid foundations for management and oversight' above, the Board operates in accordance with its charter which is available on the Company's website.

It is Board policy that a majority of Non-executive Directors, including the Chairman, should be independent and free of any relationship that may conflict with the interests of the Company.

Each Director is required to provide advance notice of any actual or potential conflict of interest relating to business planned to be considered by the Board.

The Board Charter provides for the disclosure of the names of Directors considered by the Board to be independent. In defining the characteristics of an independent director, the Board uses the Principles and Recommendations, together with its own consideration of the Company's operations and appropriate materiality thresholds in any relationship that could materially interfere or be perceived as interfering with the exercise of an unfettered independent judgement in relation to matters concerning the Company. The Board has determined that all Non-executive Directors as at the date of this statement are independent Directors and that none of the interests or relationships that they hold in the Company would compromise that independence.

The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the Board in light of the interests disclosed by Directors. Details of the Directors' interests, positions, associations and relationships are provided in the Annual Report.

The Board Charter provides for the determination of the Directors' terms and requires the length of service of each Director to be disclosed. The length of service of each Director is provided in the Annual Report.

Recommendation 2.4

A majority of the Board of a listed entity should independent directors.

The Board Charter contains independence measures including ensuring the Board comprises a number of independent Non-executive Directors determined by the Board as appropriate. For further details please refer to the Board Charter which is located on the Company's website.

Recommendation 2.5

The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.

The Board Charter provides that the Chair of the Board will be a Non-executive Director. The Chair is a Non-executive Director and is defined to be independent. The Chair is not the CEO of the entity.

For further details please refer to the information about our Board and Management team within the Annual Report and the Board Charter which is located on the Company's website.

Recommendation 2.6

A listed entity should have a program for inducing 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 Director effectively.

The Board Charter states that a specific responsibility of the Board is to procure appropriate professional development opportunities for Directors.

Newly appointed Directors are provided with an induction process during which they receive information on the Company's strategies, objectives and operations.

As specified in the Board Charter and individual letters of appointment, Directors have the right of access to all company information and to the company's management. Subject to prior consultation with the Chair, Directors may seek independent advice, at the Company's expense, on any issue of particular concern from a suitably qualified adviser.

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

Recommendation 3.1

A listed entity should articulate and disclose its values.

Directors and employees of the Company are required to act lawfully, ethically and responsibly in accordance with the highest standards of honesty and integrity in such a way as to safeguard and protect the performance and reputation of the Company.

The Company's values are communicated to Directors and employees. These values are referenced throughout all parts of the Company, and form an important part of the recruitment, induction and ongoing performance review of all employees.

Recommendation 3.2

A listed entity should:

- (a) have and disclose a code of conduct for its Directors, Senior Executives and employees; and***
- (b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.***

The Company has a Code of Conduct for Directors, Senior Executives and employees, which is available on the Company's website. Under the policy, the Board is informed of any material breaches of the code.

Recommendation 3.3

A listed entity should:

- (a) have and disclose a whistleblower policy; and***
- (b) ensure that the Board and a committee of the Board is informed of any material incidents reported under that policy.***

The Company has a Whistle-blower Policy which is available on the Company's website. Under the policy, the Board is informed of any material breaches of the policy.

Recommendation 3.4

A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and***
- (b) ensure that the Board and a committee of the Board is informed of any material incidents reported under that policy.***

The Company has an Anti-bribery and Corruption policy which is available on the Company's website. Under the policy, the Board is informed of any material breaches of the policy.

Principle 4: Safeguard the integrity of corporate reports

Recommendation 4.1

The Board of a listed entity should:

(a) have an audit committee which:

- (1) has at least three members, all of whom are Non-executive Directors and a majority of whom are independent directors; and***
- (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) it if 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.

The Company has an Audit and Risk Committee which was established by the Board to give additional assurance regarding the quality and reliability of financial information used by the Board and financial information provided by the Company pursuant to its statutory reporting requirements.

The Audit and Risk Committee is authorised by the Board to investigate any activity within its charter. The Audit and Risk Committee will have access to management and auditors and has rights to seek explanations and additional information.

Due to the size and nature of the existing Board and the magnitude of the Company's operations the committee is currently composed of two (2) Non-executive Directors who are both considered to be independent.

The Audit and Risk Committee is chaired by an independent Director who is not the Chair of the Board. The Company believes that the members of the committee have between them sufficient accounting and financial knowledge and industry understanding to effectively discharge the Audit and Risk Committee's responsibilities. The CEO and Managing Director and other senior management may be invited to attend committee meetings. Details of meeting attendance for members of the Audit and Risk Committee are set out in the Directors' Report contained in the Annual Report.

The role of the Audit and Risk Committee is to assist and advise the Board on matters relating to:

- financial reporting
- risk management
- evaluation of the effectiveness of the financial control environment
- review of the external audit function.

The Board is responsible for the appointment of the external auditor, as recommended by the Audit and Risk Committee. The Audit and Risk Committee reviews the performance of the external auditor on an annual basis and makes any recommendations arising from the review to the Board.

The Company's external auditor attends each Annual General Meeting and is available to answer any questions with regard to the conduct of the audit of the financial statements and their report.

Prior approval of the Board must be gained for non-audit work to be performed by the external auditor. There are qualitative limits on this non-audit work to ensure that the independence of the auditor is maintained. A copy of the Audit and Risk Charter can be found on the Company's website.

Recommendation 4.2

The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that 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.

Prior to approving the financial statements for the period, the Board receives from the 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 giving a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Recommendation 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 Company has established practices to ensure that Company announcements (including the Quarterly Activities Report) are accurate, balanced and understandable and provide investors with appropriate information to make informed investment decisions. Management coordinates the form of disclosure and verifies the accuracy of the information contained in announcements. Where necessary and possible, the Chair of the Board and Directors available at that time are consulted on announcements.

Periodic financial reports in a financial reporting period that are not audited or reviewed by the external auditor are to be peer-reviewed internally and signed-off on by the CFO and the Board prior to release (including as an announcement to the ASX).

Principle 5: Make timely and balanced disclosure

Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.

The Company seeks to provide relevant up-to-date information to its shareholders and the market in accordance with the continuous disclosure requirements of the ASX Listing Rules and Corporations Act 2001 (Cth). The Company has a Communication and Disclosure Policy to ensure that information considered material to the share price is lodged with the ASX as soon as practicable and within ASX Listing Rule timelines. A copy of the Communication and Disclosure Policy can be found on the Company's website.

Recommendation 5.2

A listed entity should ensure that its Board receives copies of all material market announcements promptly after they have been made.

The Board approves all material market announcements before they are made to the market and receives copies of all material market announcements immediately after they have been made.

Recommendation 5.3

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Company releases announcements and presentation materials containing new or market sensitive material to the ASX prior to the time of the corresponding presentation to analysts, investors or conference. Following confirmation of release of such materials by the ASX, the materials are published

on the Company's website and circulated by email to the Company's subscribers. The Company makes announcements available to Directors promptly after receiving confirmation from the ASX that an announcement has been released to the market.

Presentation materials that do not contain new or market sensitive material are published on the website and circulated to the Company's subscribers at the time they are made available to the relevant event.

Principle 6: Respect the rights of security holders

Recommendation 6.1

A listed entity should provide information about itself and its governance to investors via its website.

One of the Company's key communication tools is its website where the Company maintains information about itself and its governance framework. Important information about the Company and its governance is available within the Corporate Governance section of the Company's website. All ASX announcements made by the Company can also be found within the Announcements section. Further information about how the Company communicates with its shareholders is set out in the Communication and Disclosure Policy, which is available on the Company's website.

Recommendation 6.2

A listed entity should have an investor relations program that facilitates effective two-way communication with investors.

The Company has adopted an investor communications strategy which aims to promote and facilitate effective two-way communication with investors. During the year the Company through its CEO and CFO, regularly engages with institutional and private investors, analysts and financial media. The Company releases announcements and presentation materials containing new or market sensitive material to the ASX prior to the time of the corresponding presentation to analysts, investors or conference.

The Company informs shareholders and the market regularly via by the publication of periodic reports, public announcements and posting ASX releases on the Company website promptly after their disclosure on the ASX. Shareholders can elect to receive email notification of the Company's announcements.

Further information about how the Company communicates with its shareholders is set out in the Communication and Disclosure Policy, which is available on the Company's website.

Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

Shareholders are encouraged to attend the Annual General Meeting and any other meetings of shareholders to use the opportunity to ask questions and personally vote on shareholder resolutions.

Included within the Notice of Meeting, the Company provides explanatory notes on the proposed resolutions.

The Board encourages shareholders to contact the Company at any time with questions or queries. Contact details are published on most ASX announcements, all periodic reports and on the Company's website.

Recommendation 6.4

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

All resolutions at general meetings of shareholders are decided by poll.

Recommendation 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.

Shareholders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX. Further information about how the Company communicates with its shareholders is set out in the Communication and Disclosure Policy, which is available on the Company's website.

Principle 7: Recognise and manage risk

Recommendation 7.1

The Board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

- (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 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 process it employs for overseeing the entity's risk management framework.

The Company manages ongoing risk through the Audit and Risk Committee. The Audit and Risk Committee is tasked with the oversight of risk management and internal control processes. The roles and responsibilities of the Audit and Risk Committee are outlined in Recommendation 4.1 of this Corporate Governance Statement. The Committee consists of Non-executive independent Directors and membership is specified in the Annual Report of the Company.

Due to the size and nature of the existing Board and the magnitude of the Company's operations the committee is currently composed of two (2) Non-executive Directors who are both considered to be independent. The Audit and Risk Committee is chaired by an independent director who is not the Chair of the Board.

Details of meeting attendance for members of the Audit and Risk Committee are set out in the Directors' Report contained in the Annual Report.

A copy of the Audit and Risk Charter can be found on the Company's website.

Recommendation 7.2

The Board or a committee of the Board should:

(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and 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 Board has overall responsibility for the oversight and management of risk, including determining the Company's risk appetite and the approval of the risk management policy.

Risk management is an essential element of good corporate governance and fundamental in achieving the Company's strategic and operational objectives.

The roles and responsibilities of the Audit and Risk Committee are outlined in Recommendation 4.1 of this Corporate Governance Statement.

The Audit and Risk Committee reviews the entity's risk management framework 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. The risk management framework was most recently reviewed by the Audit and Risk Committee during the reporting period.

Recommendation 7.3

A listed entity should disclose:

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

Due to the size and magnitude of the Company's operations, the Company does not currently have an internal audit function. The Board reviews management accounts and reports, including cashflow forecasts, monthly and reviews and amends internal controls processes as appropriate. The Company's external auditors also provide recommendations to the Board where internal control weaknesses have been identified.

The Board does not consider an internal audit function appropriate or necessary at this stage in the Company's development and will continue to review periodically whether circumstances have changed sufficient to warrant the establishment of an internal audit function.

Recommendation 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.

A summary of material business risks faced by the Company that may have an impact on the operating and financial prospects of the Company, including economic, environmental and social sustainability risks, is included in the Directors' Report, which is included in the Annual Report and available on the Company's website.

The Company is involved in pharmaceutical research and development, much of which is contracted out to third parties, and it is the Director's understanding that these activities do not create any significant/material environmental impact. To the best of the Company's knowledge, the scientific research activities undertaken by, or on behalf of, the Company are in full compliance with all prescribed environmental regulations.

Principle 8: Remunerate fairly and responsibly

Recommendation 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:***

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- (3) ***the charter of the committee;***
 - (4) ***the members of the committee; and***
 - (5) ***as at 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 such remuneration is appropriate and not excessive.***

The Remuneration Committee provides recommendations to the Board on the remuneration of the Managing Director/CEO, other Senior Executives and Non- executive Directors. The Committee also reviews and approves all remuneration consultancy contracts for key management personnel remuneration and receives any remuneration recommendations.

Due to the size and nature of the existing Board and the magnitude of the Company's operations the committee is currently composed of two (2) Non-executive Directors who are both considered to be independent.

The Remuneration Committee is chaired by an independent director who is not the Chair of the Board.

Details of meeting attendance for members of the Remuneration Committee are set out in the Directors' Report contained in the Annual Report. A copy of the Remuneration Committee Charter can be found on the Company's website.

Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of Non-executive Directors and the remuneration of Executive Directors and other Senior Executives.

Details of executive and non-executive remuneration, including the Company's policy on remuneration, is contained in the Remuneration Report which forms part of the Directors' Report located in the Company's Annual Report. A copy of the Annual Report can be found on the Company's website.

Non-executive Remuneration

Non-executive Directors are remunerated at a fixed fee for their time, commitment and responsibilities. Remuneration for Non-executive Directors is not linked to individual performance, consistent with their independence and impartiality. There are no termination or retirement benefits for Non-executive Directors (other than superannuation).

Executive Remuneration

Remuneration for Executive Directors and Senior Executives consists of a base salary and may include short and long-term performance incentives. Long-term performance incentives may include rights, options and/or shares granted at the discretion of the Board and subject to obtaining the relevant approvals. Executives are offered a competitive remuneration package consistent with market practice which are reviewed annually to ensure continued competitiveness.

Participants in an equity-based remuneration scheme are prohibited from entering into any transaction that would have the effect of hedging or otherwise transferring the risk of any fluctuation in the value of any unvested entitlement in the Company's securities to any other person.

Consultancy Services

No current or former Director, Executive or their related party is engaged for the provision of consultancy or similar services (in addition to their role as a Director or Executive). No consultancy or similar services would be entered into with a current or former Director, Executive or their related party without appropriate independent advice or full disclosure of material terms.

Recommendation 8.3

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

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and:***
- (b) disclose that policy or a summary of it.***

Participants in the Company's equity-based remuneration scheme are prohibited from entering into any transaction that would have the effect of hedging or otherwise transferring the risk of any fluctuation in the value of any unvested entitlement in the Company's securities to any other person. A copy of the Company's Security Trading Policy can be found on the Company's website.

End of Corporate Governance Statement