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**CORPORATE GOVERNANCE STATEMENT**

FOR THE PERIOD

1 JULY 2019 TO 30 JUNE 2020

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## Corporate Governance Statement

### Introduction

This Corporate Governance Statement sets out Ikwezi Mining Limited's (the **Company**) compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**).

The Ikwezi Mining Limited Board currently comprises of five Directors, two of whom are considered to be independent.

The Board is committed to ensuring that our Company is properly managed to protect and enhance Shareholder interests, and that we and our Directors, officers and employees operate in an appropriate environment of corporate governance.

Accordingly, the Board has adopted corporate governance policies and practices (the majority of which are in accordance with ASX's Corporate Governance Principles and Recommendations (ASX Recommendations)) designed to promote the responsible management and conduct of our Company.

Our main policies and practices are summarised below. In addition, many governance elements are contained in the Constitution. Details of our key policies and practices and charters for the Board and each of its committees are available at [www.ikwezimining.com](http://www.ikwezimining.com) or may be obtained from our Company Secretary.

### Board responsibilities and composition

The Board is ultimately responsible for setting policy regarding the strategic direction and goals for our business and affairs.

The Board delegates day-to-day management of our resources to management, under the leadership of the Executive Chairman, to deliver the strategic direction and goals determined by the Board.

In discharging their duties, Directors are provided direct access to and may rely upon senior management and external advisers and auditors. The Board collectively, the Board committees and individual Directors may seek independent professional advice at our expense for the purposes of the proper performance of their duties.

The Board considers an independent Director to be a Non-Executive Director who is not a member of our management and who is free from any interest and any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the independent exercise of their judgement. The Board will consider the materiality of any given relationship on a case-by-case basis, rather than referring to a general materiality threshold. The current Board members are described in the Directors' Report.

We consider it important that the Board comprises individuals with a range of knowledge, skills and experience which are appropriate to its objectives. To this end, the composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.

Details regarding the skills, qualifications, experience and expertise of each of the directors can be found in the Directors report.

### Board committees

The Board discharges its duties in relation to certain specific functions through the following committees of the Board:

- Audit Committee;
- Risk Committee; and
- Remuneration and Nomination Committee.

The Board undertakes to ensure that these committees are sufficiently resourced to enable them to fulfil their roles and discharge their responsibilities. Given the present structure of the Board and the requirement of each committee charter that the Committees are to comprise at least 3 members, all of the Directors are also members of each of these Committees.

### Audit Committee

The role of the Audit Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance.

The Audit Committee comprised of our four Directors during the year under review; with Alok Joshi being the Chairman of the committee prior to his resignation.

### **Risk Committee**

The role of the Risk Committee is to assist the Board with the identification and management of business and operational risks faced by our Company. The Risk Committee responsibilities include overseeing our risk management systems, practices and procedures and reviewing periodically the scope and adequacy of our insurance. The Risk Committee will comprise at least 3 members and may include Executive and Non-Executive Directors as well as senior executives of our Company. David Pile served as chair of the Risk Committee prior to his resignation.

### **Remuneration and Nomination Committee**

The role of the Remuneration and Nomination Committee includes attending to matters related to our remuneration policy to enable us to attract and retain executives who will create value for Shareholders and to arrange annual performance evaluations of those executives.

The Remuneration and Nomination Committee also attends to matters relating to succession planning and recommends candidates for election or re-election to the Board. The Remuneration and Nomination Committee will identify and recommend candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company.

### **Corporate governance policies and charters**

The Board has adopted the following corporate governance policies.

#### **Board Charter**

The Board monitors our progress and performance on behalf of our Shareholders, by whom it is elected and to whom it is accountable. The Board charter, which is summarised below, seeks to ensure that the Board discharges its responsibilities in an effective and capable manner.

#### **Board responsibilities**

The Board's responsibilities include:

- overseeing the business and affairs of our Company, including our control and accountability systems;
- appointing the senior executives and determining their terms and conditions, including remuneration and termination;
- driving the strategic direction of our Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- ensuring the health, safety and well-being of employees; in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of our occupational health and safety systems to ensure the wellbeing of all employees;
- approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- approving the annual, half yearly and quarterly accounts;
- approving significant changes to the organisational structure;
- approving the issue of any shares, options, equity instruments or other securities in our Company;
- ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision-making;
- recommending to Shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and
- meeting with the external auditor, at their request, without management being present.

#### **Corporate Code of Conduct**

The Board acknowledges the need for high standards of corporate governance practice and ethical conduct by all our directors and employees.

The Board has adopted a code of conduct that provides a framework for decisions and actions in relation to responsible and ethical conduct in employment. It underpins the Company's commitment to integrity and fairly dealing in its business affairs. The code of conduct sets out for all directors and employees the minimum standards of behaviour expected of them.

The code of conduct sets out our policies on various matters, including, conflicts of interest, public and media comment, use of our resources, security of information, intellectual property/copyright, discrimination and harassment, corrupt conduct and occupational health and safety.

#### **Audit Committee Charter**

This Charter defines the Audit Committee's purpose, composition, duties and responsibilities.

#### **Risk Committee Charter**

This Charter defines the Risk Committee's purpose, composition, duties and responsibilities.

#### **Remuneration and Nomination Committee Charter**

This Charter defines the Remuneration and Nomination Committee's purpose, composition, duties and responsibilities.

#### **Performance Evaluation Policy**

We aim to have a clear process for evaluating the performance of senior executives. The Remuneration and Nomination Committee (excluding the subject of evaluation where he or she is a member of the Remuneration and Nomination Committee) is responsible for arranging an annual performance evaluation of our senior executives. The evaluation will be based on specific criteria, including our business performance, whether strategic objectives are being achieved and the development of management and personnel.

#### **Continuous Disclosure Policy**

We are committed to continuous disclosure of material information as a means of promoting transparency and investor confidence. The practices of our Company are compliant with the Listing Rules, including in particular those regarding continuous disclosure.

All information provided to ASX for release to the market will be posted to our website at [www.ikwezimining.com](http://www.ikwezimining.com) after ASX confirms an announcement has been made.

#### **Risk Management Policy**

We are committed to the identification, monitoring and management of risks associated with our business activities and have established a Risk Committee to have responsibility for identifying and overseeing major risk areas and ensuring that systems are in place to manage them, and report to the Board as and when appropriate. The Risk Committee is responsible for overseeing the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements.

#### **Securities Trading Policy**

Our directors, officers and other employees will be in possession of information relating to our Group and, possibly, other companies. From time to time, some of this information may be classified as "inside information". We have adopted a securities trading policy that explains the prohibition on insider trading and, in addition, limits trading by directors and certain restricted employees to specific "black-out periods", such as prior to the release of our Company's full and half year results announcements and the annual general meeting. In certain instances, our policy extends beyond the strict requirements of the Corporations Act. Any such a trade by a director or restricted employee must be notified in advance to the Board and clearance obtained.

In addition to their obligations under the Corporations Act in relation to inside information, all directors, employees and contractors have a duty of confidentiality to us in relation to confidential information they possess.

#### **Shareholder Communications Policy**

We place great importance on the communication of accurate and timely information to our Shareholders and recognise that efficient and continuous contact with Shareholders is an essential part of earning their trust and loyalty.

To this end, we are committed to communicating effectively with Shareholders through releases to the market via ASX, information mailed to Shareholders and our general meetings.

#### **Compliance with Black Economic Empowerment (BEE) legislation in South Africa**

The BEE requirements in the South Africa mining industry arise from the equality provisions of the South African Constitution and the Mineral and Petroleum Resources and Development Act (MPRDA).

The Department of Mineral Resources and Energy (DMR) published and implemented the Broad-Based Socio-Economic Empowerment Charter, commonly known as the Mining Charter was first developed in 2002 and then amended in 2010 which was applicable to all mining companies operating within South Africa. The Mining Charter aimed to drive transformation in the industry and facilitate participation of historically disadvantaged South Africans (HDSA) in the mining and minerals industry by providing specific targets that must had to be met in order to effect transformation and promote sustainable development and growth of the industry.

HDSA are defined as “any person, category of persons or community, disadvantaged by unfair discrimination” on the basis of race, gender or disability and includes females generally as well as Black, Indian, Chinese and Coloured people.

A third iteration of the Mining Charter (the “2018 Mining Charter”) was gazetted on 27 September 2018. The Implementation Guidelines document, which unpacks the processes and procedures for executing the latest changes, was published alongside the 2018 Mining Charter on 19 December 2018.

A copy of the 2018 Mining Charter or “Broad-Based Socio- Economic Empowerment Charter for the Mining and Minerals Industry, 2018 is available at [https://www.gov.za/sites/default/files/41934\\_gon1002.pdf](https://www.gov.za/sites/default/files/41934_gon1002.pdf) . A copy of the implementation guidelines which must be read in conjunction with the 2018 Mining Charter, is available at [https://www.gov.za/sites/default/files/gcis\\_document/201812/42122gon1399.pdf](https://www.gov.za/sites/default/files/gcis_document/201812/42122gon1399.pdf).

The revised 2018 Mining Charter which came into effect on 1 March 2019, introduces a number of additional requirements into the legislation regarding the various criteria that will need to be met by the Company going forward. The first annual reporting of the Companies compliance with these requirements is on or before 20 March 2020. The 2018 Mining Charter provides for transition periods during which Companies are required to progressively align with existing targets. The key areas that the legislation deals with is ownership, employment equity, human resource development, inclusive procurement supplier and enterprise development, mine community development and house and living conditions. An article published by Deloitte summarises the various requirements and is available at [https://www2.deloitte.com/content/dam/Deloitte/za/Documents/energy-resources/za\\_deloitte\\_mining\\_charter\\_May2019.pdf](https://www2.deloitte.com/content/dam/Deloitte/za/Documents/energy-resources/za_deloitte_mining_charter_May2019.pdf), for further reference.

The legal requirements contained in the South African legislation exceed the reporting recommendations contained in ASX Recommendation 3.3 and 3.4.

### **Compliance with ASX Recommendations**

The Company follows all of the ASX Recommendations, except as outlined in this statement.

As at 30 June 2020, the Board comprised three Executive Directors and two Independent Directors.

As a result of this Board structure, the Company did not comply with the following ASX Recommendations for the period to 30 June 2020:

- ASX Recommendation 2.4: A majority of the board of a listed entity should be independent directors
- ASX 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 Company is working towards complying with the above ASX Recommendations and during the year appointed two independent Non-Executive Directors.

A table outlining the Company's current compliance with each ASX Recommendation is set out below.

The Company has made copies of its corporate governance charters, policies and documents available in a governance section of the Company's website at [www.ikwezimining.com](http://www.ikwezimining.com).

ASX Recommendation	Comply (Yes/No)	Explanation
<b>PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
<p><b>ASX Recommendation 1.1:</b> A listed entity should disclose:</p> <p>(a) The respective roles and responsibilities of its board and management; and</p> <p>(b) Those matters expressly reserved to the board and those delegated to management.</p>	Yes	<p>The Company has adopted a formal charter that details the respective board and management functions and responsibilities. A copy of this board charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>
<p><b>ASX Recommendation 1.2:</b> A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	Yes	<p>The Company has established a Remuneration and Nomination Committee ("RNC") which operates under the Remuneration Committee Charter and Nomination Committee Charter.</p> <p>The Nomination Committee Charter requires the RNC to undertake appropriate checks before appointing a candidate or putting forward to security holders a candidate for election as a Director.</p> <p>All material information relevant to whether or not to elect or re-elect a director is provided to the Company's shareholders as part of the Notice of Meeting and explanatory statement for a shareholder meeting including resolutions related to the election or re-election of directors.</p>
<p><b>ASX Recommendation 1.3:</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	<p>The letters of appointment for each director are in place in this regard.</p>
<p><b>ASX Recommendation 1.4:</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the functioning of the board.</p>	Yes	<p>As detailed in the Board Charter, the Company Secretary is accountable directly to the Board, through the Chair, on all matters related to the functioning of the Board.</p>
<p><b>ASX Recommendation 1.5:</b> 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</p>	No	<p>The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality, diversity and skills of its people.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p>and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <ol style="list-style-type: none"> <li>1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) or</li> <li>2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in, and published under, that Act.</li> </ol>		<p>The Company has not yet set measurable objectives for achieving gender diversity. The Board will review the same in the coming year.</p>
<p><b>ASX Recommendation 1.6:</b> 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>	Yes	<p>The Company's Board Charter outlines the process for evaluating the performance of the Board. This provides that, once a year, the Board shall hold a meeting to review critically and discuss the performance of the Board as a whole, its Committees and individual Directors. If it is apparent that there are problems that cannot be satisfactorily considered by the Board itself, the Board may decide to engage an independent advisor to undertake this review.</p> <p>The board was restructured during the reporting period.</p>
<p><b>ASX Recommendation 1.7:</b> 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>	Yes	<p>The Performance Evaluation Policy requires the RNC to arrange an annual performance evaluation of senior executives as appropriate. The Performance Evaluation policy details the process for this evaluation.</p> <p>The Company has not employed any senior executives during the year that were not members of the Board and has therefore not undertaken a performance evaluation process.</p>

ASX Recommendation	Comply (Yes/No)	Explanation										
<b>PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE</b>												
<p><b>ASX Recommendation 2.1:</b> The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors, and</li> <li>2) is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of the reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <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>	No	<p>The Board had a Remuneration and Nomination Committee during the year with the following members:</p> <table border="1" data-bbox="1205 411 1984 847"> <thead> <tr> <th data-bbox="1205 411 1720 501">Name</th> <th data-bbox="1720 411 1984 501">Independent?</th> </tr> </thead> <tbody> <tr> <td data-bbox="1205 501 1720 587">Tushar Agrawal</td> <td data-bbox="1720 501 1984 587">No</td> </tr> <tr> <td data-bbox="1205 587 1720 673">David Pile</td> <td data-bbox="1720 587 1984 673">No</td> </tr> <tr> <td data-bbox="1205 673 1720 759">Alok Joshi</td> <td data-bbox="1720 673 1984 759">No</td> </tr> <tr> <td data-bbox="1205 759 1720 847">Ranaldo Anthony</td> <td data-bbox="1720 759 1984 847">No</td> </tr> </tbody> </table> <p>Following the resignation of Messrs Pile, Joshi and Anthony and the coming in of the new members of the Board, new members of the committee are yet to be appointed.</p> <p>The current size and composition of the Board means it is not possible to comply with recommendation 2.1(a). The Board will continue to review its composition to ensure it remains appropriate to the Company's circumstances, size and stage of development.</p> <p>The RNC has not met during the reporting period.</p> <p>The charter of the Nomination Committee is included on the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>	Name	Independent?	Tushar Agrawal	No	David Pile	No	Alok Joshi	No	Ranaldo Anthony	No
Name	Independent?											
Tushar Agrawal	No											
David Pile	No											
Alok Joshi	No											
Ranaldo Anthony	No											

ASX Recommendation	Comply (Yes/No)	Explanation																								
<p><b>ASX Recommendation 2.2:</b> A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Yes	<p>The Company has not adopted a specific board skills matrix. The Board Charter requires that the Board should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.</p> <p>The Board believes that having a diverse mix of experience and culture across the Board leads to better outcomes for the Company and the shareholders, and the Board is comfortable with the skills matrix represented by the current Board.</p>																								
<p><b>ASX Recommendation 2.3:</b> 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 but the board is of the opinion that it does not compromise the independence of the directory, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length and service of each director</p>	Yes	<p>At the date of this report, the Board consists of:</p> <table border="1" data-bbox="1205 667 2056 1262"> <thead> <tr> <th data-bbox="1205 667 1462 751">Name</th> <th data-bbox="1462 667 1621 751">Role</th> <th data-bbox="1621 667 1848 751">Independent?</th> <th data-bbox="1848 667 2056 751">Date appointed</th> </tr> </thead> <tbody> <tr> <td data-bbox="1205 751 1462 836">Nitin Agrawal</td> <td data-bbox="1462 751 1621 836">Chairman</td> <td data-bbox="1621 751 1848 836">No</td> <td data-bbox="1848 751 2056 836">29 May 2020</td> </tr> <tr> <td data-bbox="1205 836 1462 951">Tushar Agrawal</td> <td data-bbox="1462 836 1621 951">Executive Director</td> <td data-bbox="1621 836 1848 951">No</td> <td data-bbox="1848 836 2056 951">29 May 2015</td> </tr> <tr> <td data-bbox="1205 951 1462 1066">Sanjay Goel</td> <td data-bbox="1462 951 1621 1066">Executive Director</td> <td data-bbox="1621 951 1848 1066">No</td> <td data-bbox="1848 951 2056 1066">29 June 2020</td> </tr> <tr> <td data-bbox="1205 1066 1462 1181">Harjinder Singh Kapila</td> <td data-bbox="1462 1066 1621 1181">Director</td> <td data-bbox="1621 1066 1848 1181">Yes</td> <td data-bbox="1848 1066 2056 1181">29 May 2020</td> </tr> <tr> <td data-bbox="1205 1181 1462 1262">Blair Sargeant</td> <td data-bbox="1462 1181 1621 1262">Director</td> <td data-bbox="1621 1181 1848 1262">Yes</td> <td data-bbox="1848 1181 2056 1262">29 June 2020</td> </tr> </tbody> </table>	Name	Role	Independent?	Date appointed	Nitin Agrawal	Chairman	No	29 May 2020	Tushar Agrawal	Executive Director	No	29 May 2015	Sanjay Goel	Executive Director	No	29 June 2020	Harjinder Singh Kapila	Director	Yes	29 May 2020	Blair Sargeant	Director	Yes	29 June 2020
Name	Role	Independent?	Date appointed																							
Nitin Agrawal	Chairman	No	29 May 2020																							
Tushar Agrawal	Executive Director	No	29 May 2015																							
Sanjay Goel	Executive Director	No	29 June 2020																							
Harjinder Singh Kapila	Director	Yes	29 May 2020																							
Blair Sargeant	Director	Yes	29 June 2020																							
<p><b>ASX Recommendation 2.4:</b> A majority of the board of a listed entity should be independent</p>	No	<p>As shown in the table above, at the date of this report and during the reporting period, the Board has not had a majority of independent directors based on the Company's definition of independence which is published on the Company's website <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>																								

ASX Recommendation	Comply (Yes/No)	Explanation
		The Board will continue to review its composition to ensure it remains appropriate to the Company's circumstances, size and stage of development.
<b>ASX Recommendation 2.5:</b> 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.	No	Mr Nitin Agrawal is currently the Chairman of the Company.
<b>ASX Recommendation 2.6:</b> A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	As set out in the Board Charter, the Company Secretary is responsible for the facilitation of the induction and professional development of the directors.  No induction programs were deemed necessary during the reporting period.
<b>PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY</b>		
<b>ASX Recommendation 3.1:</b> 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	Yes	The Company has established a code of conduct that sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behavior expected from directors and employees.  A copy of the Company's code of conduct is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>
<b>PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>		

ASX Recommendation	Comply (Yes/No)	Explanation
<p><b>ASX Recommendation 4.1:</b> The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, who is not the chair of the board,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the relevant qualifications and experience of the members of the committee; and</li> <li>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</li> </ol> <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 partner.</p>	No	<p>The Board has established an Audit Committee and adopted a charter that sets out the Audit Committee's purpose, composition, duties and responsibilities. The role of the Audit Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance.</p> <p>A copy of the charter of the Audit Committee is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p> <p>The structure of the Company's Audit Committee for the period ended 30 June 2020 does not meet the requirements of Recommendation 4.1.</p> <p>The new board is in the process of appointing the new Audit Committee.</p>
<p><b>ASX Recommendation 4.2:</b> 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</p>	Yes	<p>The Audit Committee Charter details the duties and responsibilities of the Audit Committee and requires that the Committee ensures that, before the Board approves the Company's financial statements for a period, the CEO and CFO have made a declaration in line with those included in ASX Recommendation 4.2.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
a sound system of risk management and internal control which is operating effectively.		
<b>ASX Recommendation 4.3:</b> A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answers questions from security holders relevant to the audit.	Yes	The Audit Committee Charter allows for the attendance of the external auditor at the Company's AGM to be available to answer questions from the security holders at the discretion of the Audit Committee.
<b>PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE</b>		
<p><b>ASX Recommendation 5.1:</b> A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>The Company has established a continuous disclosure policy which is designed to guide compliance with ASX Listing Rule disclosure requirements and to ensure that all directors, senior executives and employees of the Company understand their responsibilities under the policy. The Board has designated the Executive Chairman and the Company Secretary as the persons responsible for ensuring that this policy is implemented and enforced and that all required price sensitive information is disclosed to the ASX as required.</p> <p>In accordance with the Company's continuous disclosure policy, all information provided to ASX for release to the market will be posted to its website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> after ASX confirms an announcement has been made.</p> <p>A copy of the continuous disclosure policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>
<b>PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS</b>		
<b>ASX Recommendation 6.1:</b> Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at	Yes	The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company has designed a shareholder communication policy which outlines the Company's commitment to:

ASX Recommendation	Comply (Yes/No)	Explanation
<p>general meetings and disclose their policy or a summary of that policy.</p>		<ul style="list-style-type: none"> <li>• communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;</li> <li>• giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;</li> <li>• encouraging shareholders to participate in general meetings of the Company; and</li> <li>• requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.</li> </ul> <p>A copy of the shareholder communication policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>
<p><b>ASX Recommendation 6.2:</b> Companies should provide the information indicated in the Guide to reporting on Principle 6.</p>	<p>Yes</p>	<p>The Company includes in its annual reports an explanation of any departure from ASX Recommendations 6.1 or 6.2 (if any) and a description of how it will communicate with its shareholders publicly.</p> <p>The Company has provided information about the Company generally for the benefit of its shareholders and market participants (among others) on the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> all information provided to ASX for release to the market will be posted to its website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> after ASX confirms an announcement has been made.</p>
<p><b>PRINCIPLE 7: RECOGNISE AND MANAGE RISK</b></p>		
<p><b>ASX Recommendation 7.1:</b> The board of a listed entity should:</p>	<p>No</p>	<p>The Board has established a Risk Committee and adopted a charter that sets out the Risk Committee's purpose, composition, duties and</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>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</li> </ol> <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>responsibilities. The role of the Risk Committee is to assist the Board with the identification and management of business and operational risks faced by the Company.</p> <p>A copy of the charter of the Risk Committee is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p> <p>The Risk Committee did not meet during the financial year ended 30 June 2020.</p>
<p><b>ASX Recommendation 7.2:</b> The board or a committee of the board should:</p> <ol style="list-style-type: none"> <li>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</li> <li>(b) disclose, in relation to each reporting period, whether such a review has taken place.</li> </ol>	Yes	<p>The Company is committed to the identification, monitoring and management of risks associated with its business activities and has established policies, in relation to the implementation of practical and effective control systems. The Company has established a Risk Management Policy, which is available on the Company's website <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p> <p>The Board (via the Risk Committee) has delegated the responsibility for undertaking and assessing risk management and internal control effectiveness to management.</p>
<p><b>ASX Recommendation 7.3:</b> A listed entity should disclose:</p>	Yes	<p>The Company does not currently have an internal audit function.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>		<p>The Risk Committee is responsible for ensuring that sound risk management strategies and policies are in place for the Company. The Committee has responsibility for identifying and overseeing major risk areas and that systems are in place to manage them, and report to the Board as and when appropriate. The Committee is required to develop and maintain a risk register that identifies the risks to the Company and its operation and assesses the likelihood of their occurrence. As discussed above, the Committee also monitors and reviews and matters of significance affecting financial reporting and compliance.</p> <p>Under the Company's Risk Management Policy, the responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management are required to assess risk management and associated internal compliance and control procedures and report back to the Risk Committee on whether risks are being managed effectively.</p>
<p><b>ASX Recommendation 7.4:</b> A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Yes</p>	<p>The Company undertakes mining activities and consequently faces material risks to its business from economic, environmental, regulatory and social sustainability risks, as disclosed from time to time.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<b>PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY</b>		
<p><b>ASX Recommendation 8.1:</b> The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director,</li> </ol> <p style="padding-left: 40px;">and disclose</p> <ol style="list-style-type: none"> <li>3. the charter of the committee;</li> <li>4. the members of the committee; and</li> <li>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</li> </ol> <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>	No	<p>The Board has established a Remuneration and Nomination Committee, the details of which are discussed above. The Remuneration Committee Charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<p><b>ASX Recommendation 8.2:</b> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and other senior executives.</p>	Yes	<p>Executives of the Company typically receive remuneration comprising a base salary component and other fixed benefits based on the terms of their employment agreements with the Company, or its Executive &amp; Non-Executive directors may receive share options under the Employee Share Option Plan or by shareholder resolution.</p>
<p><b>ASX Recommendation 8.3:</b> A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme and disclose that policy or a summary of it.</p>	Yes	<p>The Company does not currently have an active shareholder approved equity based remuneration scheme.</p> <p>Equity issues are made subject to shareholder approval on a case-by-case basis.</p>

