

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Toro Energy Limited

ABN/ARBN

117 127 590

Financial year ended:

30 June 2021

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

☐ These pages of our annual report:

☒ This URL on our website:

<https://www.toroenergy.com.au/corporate/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 30 September 2021 and has been approved by the board.

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

Date: 30 September 2021

Name of authorised officer authorising lodgement: Katherine Garvey

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement) and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement) and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity 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 in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: <i>[insert location]</i> and the information referred to in paragraphs (4) and (5) 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 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: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	☒ and we have disclosed our board skills matrix at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity 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 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.	☒ and we have disclosed the names of the directors considered by the board to be independent directors at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement) and, where applicable, the information referred to in paragraph (b) at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement) and the length of service of each director at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	☐	☒ set out in our Corporate Governance Statement OR ☐ 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.	☐	☒ set out in our Corporate Governance Statement OR ☐ 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.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

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Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ 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.	☒ and we have disclosed our code of conduct at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ 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.	☒ and we have disclosed our whistleblower policy at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ 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.	☒ and we have disclosed our anti-bribery and corruption policy at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ set out in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: <i>[insert location]</i> and the information referred to in paragraphs (4) and (5) 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 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: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒	☐ 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.	☒	☐ set out in our Corporate Governance Statement

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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.	☒ and we have disclosed our continuous disclosure compliance policy at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ 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.	☒	☐ 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.	☒	☐ 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.	☒ and we have disclosed information about us and our governance on our website at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ 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.	☐	☒ 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.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ set out in our Corporate Governance Statement
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.	☒	☐ 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
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.	☒	☐ set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: <i>[insert location]</i> and the information referred to in paragraphs (4) and (5) 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 a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement
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.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ 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
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.	☒ <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: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement) and, if we do, how we manage or intend to manage those risks at: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ [If the entity complies with paragraph (a):] and we have disclosed a copy of the charter of the committee at: [insert location] and the information referred to in paragraphs (4) and (5) at: [insert location] [If the entity complies with paragraph (b):] 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: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ and 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: https://www.toroenergy.com.au/corporate/corporate-governance/ (in our Corporate Governance Statement)	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
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.	☒ and we have disclosed our policy on this issue or a summary of it at: https://www.toroenergy.com.au/corporate/corporate-governance/	☐ set out in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity 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 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.	☐ and we have disclosed information about the processes in place at: [insert location]	☐ set out in our Corporate Governance Statement OR ☒ we do not have a director in this position and this recommendation is therefore not applicable OR ☐ 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.	☐	☐ set out in our Corporate Governance Statement OR ☒ we are established in Australia and this recommendation is therefore not applicable OR ☐ 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.	☐	☐ set out in our Corporate Governance Statement OR ☒ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	☐ and we have disclosed the information referred to in paragraphs (a) and (b) at: [insert location]	☐ set out in our Corporate Governance Statement

Appendix 4G

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-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	☐ and we have disclosed the terms governing our remuneration as manager of the entity at: <i>[insert location]</i>	☐ set out in our Corporate Governance Statement

TORO ENERGY LIMITED
ACN 117 127 590
('Company' or 'Toro')

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at 30 September 2021 and has been approved by the Board of the Company on that date.

RECOMMENDATION	COMPLY	EXPLANATION
<i>Principle 1: Lay solid foundations for management and oversight</i>		
Recommendation 1.1 (a) A listed entity should have and disclose a board charter which sets out the respective roles and responsibilities of the board, the Chair and management, and includes a description of those matters expressly reserved to the board and those delegated to management.	Yes	The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management. The Board Charter also sets out requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter is available on the Company's website.
Recommendation 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.	Yes	The Company has an agreed process for the selection, nomination and appointment of Directors guided by the Board. An integral part of this process requires that the Board ascertain the qualifications and experience that a potential candidate should possess prior to shortlisting candidates. Appropriate background checks are carried out on any potential candidates before a person is appointed by the Board or put forward as a candidate for election as a Director. Before each Annual General Meeting, the Board internally determines the suitability of candidates for re-election as Directors. Factors influencing this decision include the outcome of annual (or other) Board performance reviews and any other relevant matters. Sufficient background information including biographical detail, other directorships and status as independent or otherwise, is then provided in the Notice of Meeting for shareholders to inform them appropriately of potential candidates.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Partially Comply	The Company has written agreements in place with all Non- Executive Directors (which includes a signed consent to act) and key executives with the exception of the Executive Chairman who was appointed by the Board of Directors on 1 January 2017. Such agreements stipulate, amongst other items, in the case of Non- Executive

RECOMMENDATION	COMPLY	EXPLANATION
		Directors the time commitment envisaged, remuneration and term of appointment and confidentiality obligations. In the case of key executives additional items include the reporting structure applicable to the executive and their duties and responsibilities in the role as well as termination provisions and benefits.
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 with the proper functioning of the board.	Yes	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (i) the measurable objectives set for that period to achieve gender diversity; (ii) the entity's progress towards achieving those objectives; and (iii) 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 the Workplace Gender Equality Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	Yes	The Company has established a diversity policy which is available on the Company's website. The Company is cognisant of the positive impacts that diversity may bring to an organisation and as such the Company continues to assess all staff and Board appointments on their merits with consideration to diversity as a driver in decision making. The Managing Director and Chief Executive Officer or equivalent is responsible for monitoring Company progress on diversity and reports to the Nomination and Remuneration Committee or the Board directly on the effectiveness of diversity related initiatives. The Company has a measurable objective to achieve at least 25% female representation on the Board, in senior executive positions and the entire Group by 30 June 2022. The Board does not anticipate there will be a need to appoint any new Directors or senior executives in the imminent future due to the nature of the Company's existing and proposed activities. As a consequence, the opportunity for creating meaningful gender diversity is limited. At the end of the reporting period the Company's Board consisted of three personnel, each of whom are male. During the course of the current reporting period the Company had one female employee in a senior executive position of a total of five senior executive employees (including the Directors) (20%), and across the whole workforce it had four female employees of a total of nine (including the Directors) (44%). The Company is not a relevant employer under the Workplace Gender Equality Act. The Company is not in the S&P/ASX 300 index.

RECOMMENDATION	COMPLY	EXPLANATION
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Yes	The Company conducts Board performance reviews annually. The results of each performance review will be documented and its achievements monitored by the Board on an ongoing basis. In relation to new appointments, induction procedures and materials outlining industry information, the Company's financial position, strategy and operations are made available to the incumbents. Performance evaluations for the Board and individual Directors, have been carried out during FY21.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Yes	Recognising that the performance of key executives and management is integrally linked to the performance of the Company, a performance evaluation of key executives is conducted annually in accordance with the processes outlined in the Remuneration Report. Performance of key management is reviewed annually by the Board and Managing Director or equivalent and has been conducted for the reporting period.
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: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a 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.	Yes	The Board has not established a separate Nomination Committee, the functions of which are instead carried out by the Board. Given the current size and composition of the Board and scale of the Company's activities, the Board considers that there would be no efficiencies gained by establishing a separate Nomination Committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification or attributes required in new Directors. Where appropriate, independent consultants are engaged to identify possible new candidates for the Board. The criteria for determining the identification and appointment of a suitable candidate for the Board include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the Company's scope of activities, intellectual ability to contribute to Board's duties and physical ability to undertake the Board's duties and responsibilities. The full Board will review the skills represented by the Directors on the Board and determine whether the composition and mix of those skills remain appropriate for the Company's strategy. The Company's Constitution and the <i>Corporations Act 2001</i> (Cth) contain terms and conditions relating to the appointment and termination of

RECOMMENDATION	COMPLY	EXPLANATION
		Directors. All Directors, with the exception of the Managing Director, are subject to re-election by rotation every three years. Toro believes that the current composition of the Board means that it has the necessary skills and experience applicable to the operations of the Group and to ensure that Toro continues to operate soundly. Details of the expertise, experience and education of each Director are set out in the Director's Report contained in the Company's Annual Report.
Recommendation 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.	Yes	The mix of skills and diversity for which the Board is looking to achieve in membership of the Board is represented by the composition of its current Board. The Company considers that the members of the Board contribute the skills vital to the continued success of the Company and in the event there are additional skills required these are outsourced, where necessary to the Company advisors. The Board comprises Directors who possess the following skills and qualifications: leadership, strategic and analytical thinking, extensive corporate, legal and management including in the resources sector, accounting, financial and geological, feasibility studies and global experience.
Recommendation 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 or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (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 or relationship in question and an explanation of why the Board is of that opinion; and (c) the length of service of each Director.	Yes	The Board considers the independence of Directors having regard to the relationships listed in Box 2.3 of the Principles and Recommendations and has determined that it currently has no independent Directors as they each are either employed by and/or are Directors or employees of major shareholders of the Company. As at 30 September 2021 the length of service of the other currently serving directors is as follows: • Mr Richard Homsany – 7 years 10 months • Mr Michel Marier – 6 years 9 months • Mr Richard Patricio – 7 years 10 months The composition of the Board is reviewed periodically in view of the underlying scale, scope and complexity of the Company's operations. Changes are made where appropriate.

RECOMMENDATION	COMPLY	EXPLANATION
Recommendation 2.4 A majority of the Board of a listed entity should be independent Directors.	No	The Board currently comprises a total of three Directors, none of whom are considered to be independent. In considering this recommendation, the Board considered its primary role in the protection and enhancement of long-term shareholder value. Accordingly, the Board considers that the current composition is appropriate for the Company and provides for sound, efficient and effective corporate governance having regard to the size and level of operations of the Company.
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.	No	During the reporting period the Company did not have an independent Chair. In considering this recommendation, the Board considered its primary role in the protection and enhancement of long-term shareholder value. Accordingly, the Board considers that the current composition is appropriate for the Company and provides for sound, efficient and effective corporate governance. Accordingly, Toro has elected not to follow the recommendation of the chair of the Board of a listed entity being an independent director. Mr Homsany, as chairman for over four years, is integral to the Company, bringing to the role a wealth of knowledge and experience, including corporate stewardship, governance and management. Given these factors, the Board considers that it would be counterproductive to the Company and shareholders to seek an independent chairman. With regards to the chair or the board of a listed entity and the chief executive officer (CEO) not being the same person, the Company currently does not have a CEO, Managing Director (or equivalent) but an analogous role is undertaken by Mr Richard Homsany, Chairman.
Recommendation 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.	Yes	The Board is responsible for implementing an induction program for new Directors to ensure they gain an understanding of the Company and that they effectively discharge their responsibilities.

RECOMMENDATION	COMPLY	EXPLANATION
Principle 3: Instil a culture of acting lawfully, ethically and responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values.	Yes	The Board acknowledges the need for continued maintenance of a professional standard of corporate practice and ethical conduct by all Directors, Officers, employees, contractors and consultants of the Company. Accordingly, the Company has in place a Corporate Code of Conduct to provide a framework for decisions and actions in relation to ethical conduct in employment and to build an ethical culture within the organisation. The Code of Conduct is available on the Corporate Governance section of the Company's website at www.toroenergy.com.au/corporate/corporate-governance/.
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.	Yes	The Company's Code of Conduct applies to the Company's directors, senior executives, employees and consultants. Any material breaches of the Code of Conduct are reported to the Board through the Chairman and/or the Company Secretary.
Recommendation 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.	Yes	The Company's Whistleblower Policy is available on the Company's website. Any material breaches of the Whistleblower Policy are to be reported to the Board or a committee of the Board.
Recommendation 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.	Yes	The Company's Anti-Bribery and Anti-Corruption Policy is available on the Company's website. Any material breaches of the Anti-Bribery and Anti-Corruption Policy are to be reported to the Board or a committee of the Board.

RECOMMENDATION	COMPLY	EXPLANATION
Principle 4: Safeguard the integrity of corporate reports		
Recommendation 4.1 The Board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and (ii) is chaired by an independent Director, who is not the Chair of the Board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (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.	Yes	The Board has not established a separate audit committee. The Board considers that the Company and the scope and nature of its activities are not currently of a size to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, the identification and management of risk and the review and operation of the internal control systems. If the Company's activities increase in size, scope and nature, the formation of an audit committee will be reviewed by the Board and implemented if appropriate. The Company has the following processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: Selection of External Auditors In the event of a vacancy for the position of external auditor, the Company, through the Board, will conduct a selective formal tender process to select which audit firm will fill the vacancy. Potential audit firms selected will be evaluated in accordance with set criteria from time to time, including but not limited to skills and knowledge, quality of work, independence, value for money and ethical behaviour and fair dealing. Above all, candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. Appointment of External Auditors The Board identifies and recommends an appropriate external audit firm and audit partner for appointment by the Board and/or the Company in general meeting of shareholders. The appointment is made in writing. Rotation of External Auditors The external auditor is required to rotate its audit partners so that no partner of the external auditor is in a position of responsibility in relation to the Company's accounts for a period of no more than five consecutive years.

RECOMMENDATION	COMPLY	EXPLANATION
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.	Yes	Prior to the conclusion of a financial period and prior to the approval of the financial statements by the Board, the Board receives from the Company's Managing Director (or equivalent) or Chairman and Chief Financial Officer (or equivalent) a declaration in writing that states: (i) the financial statements of the Company for each half and full year present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with accounting standards; (ii) the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and (iii) the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects. Before approving the Company financial statements for the year ended 30 June 2021 the Board received an equivalent declaration to the above.
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.	Yes	The Company has a process whereby relevant reports are generated by the financial officer or Company Secretary, reviewed by an Executive Director and approved by the Board before release onto the ASX platform.
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.	Yes	The Company's Continuous Disclosure Policy is available 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.	Yes	Under the Company's Continuous Disclosure Policy all members of the Board will receive material market announcements promptly 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.	Yes	Under the Company's Continuous Disclosure and its Shareholder Communication Policy the Company is required to release any or all presentation material containing price sensitive information with the ASX prior to the presentation commencing and place such information on the Company's website as soon as practicable on completion of the briefing.

RECOMMENDATION	COMPLY	EXPLANATION
Principle 6: <i>Respect the rights of security holders</i>		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its governance 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.	Partially Comply	Due to the size of the Company and its current stage of development the Company does not have a formal investor relations program. The Company's Shareholder Communication Policy which sets out the Company's commitment to communicating effectively with shareholders and giving them ready access to balanced and understandable information about the Company and its corporate strategies. Mechanisms employed include: (i) announcements lodged with ASX; (ii) ASX Quarterly Activities and Cash Flow Reports; (iii) Half Yearly Report; (iv) presentations at the Annual General Meeting (AGM)/General Meetings; and (v) Annual Report. In addition to ASX continuous disclosure requirements and various investor relation forums, the Company places importance on effective two way communications with shareholders. Accordingly, the Board encourages full participation of shareholders at the AGM to ensure a high level of accountability and understanding of the Company's strategy and goals. The Chair and Company Secretary respond to queries from shareholders provided the information requested is not material or price sensitive and is already publicly available. In general, the Company encourages two-way communications with its shareholders by way of face to face meetings, telephone conversations and in writing either by mail or email.
Recommendation 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	The Board encourages full participation of shareholders at the AGM to ensure a high level of accountability and understanding of the Company's strategy and goals. Shareholders are invited to ask questions on resolutions put to shareholder votes at the Meeting and are also invited to ask questions of the Board and management about the Company's strategy and goals following conclusion of the formal business of the meeting. The Company's practice is to also invite the auditor to attend the AGM and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

RECOMMENDATION	COMPLY	EXPLANATION
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.	Yes	All substantive resolutions at securityholder meetings will be decided by a poll rather than a show of hands.
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.	Yes	The Company welcomes electronic communication from its Shareholders via email at info@toroenergy.com.au. Email contact details are available on the Company's website. The Company communicates with its shareholders via its share registry Advanced Share Registry. Advanced Share Registry sends all new shareholders an introductory letter requesting information and preferences as to how the new shareholders would like to receive information from the Company. Advanced Share Registry also engages with Shareholders electronically and makes available a range of relevant forms on its website. Advanced Share Registry provides shareholders the option of receiving communications from and sending communications to it electronically, except in certain limited circumstances where there is an overriding requirement for the provision of a hard copy document or signature. Shareholders can register with the share registry to access their personal information and shareholdings via the internet.

RECOMMENDATION	COMPLY	EXPLANATION
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: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	Yes	The Board has not established a separate Risk Committee. The Board considers, given the current size and composition of the Board, that there would be no efficiencies gained by establishing a separate Risk Committee. Accordingly, the Board performs the role of Risk Committee and is responsible for overseeing the Company's risk management and control framework. In this regard risk management discussions form part of the Board's discussions at Board meetings. Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Managing Director (or equivalent) having ultimate responsibility to the Board for the risk management and control framework. Arrangements put in place by the Board to monitor risk management include: • Reporting to the Board in respect of operations and the financial position of the Company; • Budgetary expenditure controls; • Review of insurance requirements annually and as needed; and • Regular reporting on: ○ adherence to environmental policies and environmental risks ○ adherence to health and safety guidelines and policies; ○ compliance and/or litigation matters and associated risks. Specifically, in managing risk, the Board and Management are to adhere to the following principles: • When considering new strategies or projects, management is to analyse the major risks of those opportunities being secured or being lost, and will consider appropriate strategies for minimising those risks where they are identified. • The Company will, where thought prudent by the Managing Director (or equivalent) or the Board, take appropriate external advice to determine the best way to manage a particular risk. • Financial risk will be managed by the whole of the Board working closely with the Managing Director (or equivalent) and the Chief Financial Officer (or equivalent), to ensure that the financial statements and other financial

RECOMMENDATION	COMPLY	EXPLANATION
		reporting are rigorously tested prior to submission for audit. To complement risk management by the Company, appropriate insurances are to be in place, and advice taken from the Company's brokers or insurers where necessary, to cover the usual risks for businesses such as that of the Company, and where practicable, to cover any particular extraordinary risks which arise in the circumstances of the Company.
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.	Yes	The full Board in its capacity as the Risk Committee reviews the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces. The Board carried out these reviews 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.	Yes	The Company does not have an internal audit function. The Board considers the processes employed by the Board are sufficient for evaluating and continually improving the effectiveness of its risk management and internal control processes given the size and complexity of the current business.
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.	Yes	The Company is not aware of any material exposure to environmental or social risks apart from those generally stated in the Directors Report of each annual report.

RECOMMENDATION	COMPLY	EXPLANATION
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The Board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Yes	The Board has not established a separate Remuneration Committee as the Board considers, given the current size and composition of the Board, and the size, scope and nature of the Company's activities, that there would be no efficiencies gained by establishing a separate Remuneration Committee. Accordingly, the Board act as the Remuneration Committee and as a whole is responsible for the remuneration arrangements for Directors and executives of the Company. If the Company's activities increase in size, scope and nature, the appointment of a remuneration committee will be reviewed by the Board and implemented if appropriate. The broad remuneration policy of the Company is to ensure that remuneration levels for executive Directors, secretaries and senior managers are set at competitive levels to attract and retain appropriately qualified and experienced personnel. Remuneration packages offered by the Company are also geared to attracting talented employees through a combination of fixed remuneration and where appropriate, long term incentives, calibrated and individually tailored to be competitive in the external market to offer good incentive to join and remain with the Company.
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.	Yes	The Board policy is to remunerate non-executive Directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and will review their remuneration annually, based on market practice, duties and accountability and to ensure their remuneration is competitive in attracting, retaining and motivating people with appropriate skills and experience. Independent external advice is sought where required. The Board is responsible for determining and reviewing compensation arrangements for Directors and the executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Directors and senior executives are remunerated either by way of annual salary (ie. cash and superannuation components) or by consulting fees. Directors and senior executives may also, at the Board's discretion, receive incentive options subject to

RECOMMENDATION	COMPLY	EXPLANATION
		shareholder approval. Further information on the remuneration policies of the Company with regard to Directors and senior executives are contained within the Remuneration Report which forms part of the Directors' Report in the Company's Annual Report.
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.	Yes	The Company has in place a Securities Incentive Plan (Incentive Plan), which was last approved by Shareholders at the 2020 AGM. A summary of the Incentive Plan was included in the Company's 2020 Notice of General Meeting, a copy of which is available on the ASX market announcements platform. Equity-based remuneration by way of unlisted share options has been provided to Directors, employees and consultants from time to time following shareholder approval at the Company's AGM.
Additional recommendations that apply only in certain cases		
Recommendation 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.	N/A	Not applicable.
Recommendation 9.2 A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	N/A	Not applicable.
Recommendation 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.	N/A	Not applicable.