

Appendix A

Corporate Governance

BOARD CHARTER

The Board has adopted the following Board Charter:

The business of the Company is managed under the direction of the Board of Directors. The Board is accountable to shareholders of the Company for the performance of the Company.

Each Director of the Company will act in good faith in the best interests of the Company and collectively oversee and appraise the strategies, major policies, processes and performance of the company using care and diligence to ensure that Company's long term sustainability is assured.

Directors will not misuse their position on the Board to advance personal interests nor to represent particular constituencies. Directors will not use information available to them as Board members to advance personal interests or agendas.

Directors are required to inform the Board of any conflicts or potential conflicts of interest they may have in relation to particular items of business. Directors must absent themselves from discussion or decisions on those matters.

The Company's Constitution and Australian corporations law specifies the minimum and maximum number of directors of the Company.

The Directors must elect one of their number as Chairman.

The chairman will be responsible for leading the board, facilitating the effective contribution of all directors and promoting constructive and respectful relations between directors and between the board and management. The chair will also usually be responsible for approving board agendas and ensuring that adequate time is available for discussion of all agenda items, including strategic issues.

Each of the directors is entitled to seek independent advice at the Company's expense whenever they judge such advice necessary for them to discharge their responsibilities as directors.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Company has established the functions reserved to the Board. The Board has primary responsibility to shareholders for the sustainability and relevance of the Company by guiding and monitoring its business and affairs. The Board is responsible for:

- demonstrating leadership;
- defining the Company's purpose and setting its strategic objectives;
- approving the Company's statement of values and code of conduct to underpin the desired culture within the entity;
- appointing the chairman;
- appointing and replacing the CEO;
- approving the appointment and replacement of other senior executives and the company secretary;
- overseeing management in its implementation of the Company's strategic objectives, instilling of the Company's values and performance generally;
- approving operating budgets and major capital expenditure;

- overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- overseeing the Company's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- satisfying itself that the entity has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite within which the board expects management to operate;
- satisfying itself that an appropriate framework exists for relevant information to be reported by management to the board;
- whenever required, challenging management and holding it to account;
- satisfying itself that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objectives and risk appetite; and
- monitoring the effectiveness of the Company's governance practices.

ROLE AND RESPONSIBILITIES OF SENIOR EXECUTIVES

The Company has established the functions reserved to senior executives. Those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance are considered to be senior executives. The functions delegated to senior executives are:

- implementing the entity's strategic objectives and instilling and reinforcing its values, all while operating within the values, code of conduct, budget and risk appetite set by the board; and
- providing the board with accurate, timely and clear information on the entity's operations to enable the board to perform its responsibilities. This is not just limited to information about the financial performance of the entity, but also its compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the values or code of conduct of the entity.

BACKGROUND CHECKS ON PERSONS PROPOSED FOR ELECTION AS A DIRECTOR

The Board undertakes appropriate background checks for persons proposed for election as a director, including character, experience, education, criminal record and bankruptcy history, so as to satisfy itself that there is no information of concern and no indication of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party. The Board also considers biographical details, including their relevant qualifications and experience and the skills they bring to the board and details of any other material directorships currently held. Material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a proposed director is included in the relevant notice of shareholder meeting together with a statement of whether it supports the election or re-election of the candidate and a summary of the reasons why and also, if applicable, a statement that the board considers the director to be an independent director.

WRITTEN AGREEMENT WITH EACH DIRECTOR AND SENIOR EXECUTIVE

The Board determines those circumstances where a written agreement with a director or senior executive is warranted. At present written agreements have not been executed with all directors and senior executives as the Board considers that the roles and responsibilities of all board members and senior executives are clearly defined and understood without a written agreement.

COMPANY SECRETARY

The Company Secretary is accountable directly to the Board through the Chairman on all matters to do with the proper functioning of the Board. The role of the Company Secretary includes advising the board and its committees on governance matters; monitoring that board and committee policy and procedures are followed; coordinating the timely completion and despatch of board and committee papers; ensuring that the business at board and committee meetings is accurately captured in the minutes; and helping to organise and facilitate the induction and professional development of directors. Each director is able to communicate directly with the Company Secretary and vice versa. Any decision to appoint or remove a Company Secretary is made by the Board.

DIVERSITY POLICY

The Group does not discriminate on the basis of gender and has no measurable objectives for achieving gender diversity.

There are no women on the Board. There is one woman in senior executive positions in the Group. The proportion of women employees in the whole organisation is 25%.

EVALUATION OF THE PERFORMANCE OF DIRECTORS AND SENIOR EXECUTIVES

A formal evaluation of the performance of directors and senior executives was not carried out in the financial year as the Board monitors the performance of directors and senior executives on an on-going basis and conducts an evaluation of the performance of directors and senior executives as and when the Board considers appropriate. The performance of the Chairman of the Board is assessed on an on-going basis by the Board as a whole.

COMPOSITION OF THE BOARD

The mix of skills and diversity for which the Board of directors is looking to achieve in membership of the Board is that required so as to provide the Company with a broad base of industry, business, technical, administrative, financial and corporate skills and experience considered necessary to represent shareholders and fulfil the business objectives of the Company.

The Company will determine whether each director is independent. In assessing the independence of a director relevant factors considered by the Board include that the director:

- has not been employed in an executive capacity by the Company or any of its child entities or there has been a period of at least three years between ceasing such employment and serving on the board;
- does not receive performance-based remuneration (including options or performance rights) from the Company, or participate in an employee incentive scheme of the Company;
- has not been within the last three years, in a material business relationship (eg as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
- is not, nor represents, nor has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;
- has close personal ties with any person who falls within any of the categories described above; or
- has been a director of the Company for such a period (such as 10 years or more) that their independence from management and substantial holders may have been compromised.

In each case, the materiality of an interest, position or relationship is assessed by the Board to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

NOMINATION OF OTHER BOARD MEMBERS

The Board has adopted the following Policy and Procedure for the Selection and (Re) Appointment of Directors.

In determining candidates for the Board, the Board follows a prescribed process whereby it evaluates the mix of skills, experience, knowledge and diversity of the existing Board. In particular, the Board considers the particular skills and diversity that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors. Potential candidates are identified and, if appropriate, are offered appointment to the Board. Any appointment made by the Board is subject to re-election by shareholders at the next annual general meeting.

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. An election of directors is held each year. Each director must not hold office (without re-election) past the third annual general meeting of the Company following the director's appointment or three years following that director's last election or appointment (whichever is the longer). However, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. At each annual general meeting a minimum of one director or one third of the total number of directors must resign. A director who retires at an annual general meeting is eligible for re-election at that meeting. Re-appointment of directors is not automatic.

Membership of the Board of directors, including whether the skills, knowledge and familiarity with the Company and its operating environment of each director is sufficient to fulfil their role on the board effectively, is reviewed on an on going basis by the Chairman of the Board to determine if additional core strengths are required to be added to the Board in light of the nature of the Company's businesses and its objectives. The Board does not believe that at this point in the Company's development it is necessary to appoint additional directors. Consequently, the Board has not established a nomination committee. The Board has not adopted a Nomination Committee Charter.

CODE OF CONDUCT

The Company has established a code of conduct as to the:

- Practices necessary to maintain confidence in the Company's integrity;
- Practices necessary to take into account their legal obligations and the expectations of their stakeholders; and
- Responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

All directors, senior executives, employees and consultants are required to abide by the Company's code of conduct. The code of conduct is periodically reviewed to ensure that it is operating effectively and whether any changes are required. The terms of the code of conduct are:

- act in accordance with the Company's stated values and in the best interests of the Company;
- act honestly and with high standards of personal integrity;
- comply with all laws and regulations that apply to the Company and its operations;
- act ethically and responsibly; – treat fellow staff members with respect and not engage in bullying, harassment or discrimination;
- deal with customers and suppliers fairly;
- disclose and deal appropriately with any conflicts between their personal interests and their duties as a director, senior executive or employee;
- comply with the Company's Whistleblower policy (refer below);
- comply with the Company's Anti-Bribery and Corruption Policy (refer below);
- not take advantage of the property or information of the Company or its customers for personal gain or to cause detriment to the Company or its customers;

- not take advantage of their position or the opportunities arising therefrom for personal gain; and
- report breaches of the code to the appropriate person or body within the organisation.

Directors are required to disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the director or the interests of any other party in so far as it affects the activities of the Company and to act in accordance with the Corporations Act if conflict cannot be removed or if it persists. That involves taking no part in the decision making process or discussions where that conflict does arise.

POLICY FOR TRADING IN THE SECURITIES OF THE COMPANY

Directors are required to make disclosure of any trading in securities of the Company.

The Company has a policy for trading in the securities of the Company. The policy is:

DEFINITIONS

Insider Trading:

'Insider trading' includes the trading of securities or some wider set of financial products (including derivatives and financial products able to be traded on a financial market) while in possession of information that is not generally available and would be likely to have a material effect on their price or value if it were generally available. The prohibition against insider trading extends to applying for, acquiring or disposing of, or entering into an agreement to apply for, acquire or dispose of relevant financial products, or procuring another person to so trade, or communicating that information where trading in the relevant financial products is likely to take place.

The insider trading provisions are found in Part 7.10, Division 3 of the Corporations Act 2001 ("Corporations Act"). Section 677 of the Corporations Act defines material effect on price or value. A reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the first mentioned securities.

Company Securities:

Company Securities means shares, options or performance rights over those shares and other securities convertible into shares, and any financial products of the Company traded on ASX.

Closed Periods:

Closed Periods means the following periods of time:

- From 7 January of each year until the next announcement to the ASX of financial results either in the form of a cashflow report or in the form of profit results; and
- From 7 July of each year until the next announcement to the ASX of financial results either in the form of a cashflow report or in the form of profit results.

Key Management Personnel:

Key Management Personnel are defined in the ASX Listing Rules.

Declaration:

A declaration may be validly issued in either written or electronic form. Electronic declarations may take the form of an email, fax or any other electronic recordable communication.

Excluded Trading:

Excluded trading means trading consistent with any of the following categories:

Transfers of Company's Securities already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;

An investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;

Where a restricted person is a trustee, trading in the Company's Securities of the entity by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a closed period is taken by the other trustees or by the investment managers independently of the restricted person;

Undertakings to accept, or the acceptance of, a takeover offer;

Trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;

A disposal of the Company's Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement, provided that the restricted person obtained the consent of the Chairman or Chief Executive Officer of the Company to enter into agreements that provide lenders with rights over their interests in the entity's securities;

Acquisition of the Company's Securities through an issue of securities by the Company;

The exercise (but not the sale of securities following exercise) of an option or a right, or the conversion of a convertible security; or

Trading under a non-discretionary trading plan for which prior clearance by the Chairman or Chief Executive Officer of the Company has been provided and where:

- a) the restricted person did not enter into the plan or amend the plan during a closed period;
- b) the trading plan does not permit the restricted person to exercise any influence or discretion over how, when, or whether to trade; and
- c) there was no cancellation of the trading plan during a closed period other than in exceptional circumstances.

Trading in Exceptional Circumstances:

Trading in Exceptional Circumstances means trading consistent with any of the following categories:

Trading in accordance with a declaration by the Chairman or Chief Executive Officer of permitted trading. In exceptional circumstances, a member of the Key Management Personnel may apply, together with a description of the circumstances, to the Chairman or Chief Executive Officer for a declaration to permit trading as Trading in Exceptional Circumstances which may be given in circumstances that the Chairman considers appropriate such as severe financial hardship, or a person is required by a court order, or there are court enforceable undertakings or there is some other legal or regulatory requirement to do so. The declaration will specify the duration of permitted trading.

TRADING RESTRICTIONS

All Key Management Personnel and all employees of the Company are required to comply with the prohibition against Insider Trading at all times with respect to the Company's Securities. Contravention of the insider trading prohibition may result in significant penalties.

With the introduction of the continuous disclosure regime, public listed companies and other disclosing entities are now required to disclose Price Sensitive Information on an on-going basis (subject to limited exceptions) so that at all times in the year the market can be fully informed and trading can be lawful. As a result the Company has decided not to specify safe periods but rather to designate periods when Trading by Key Management Personnel should not occur.

All Key Management Personnel are required to refrain from trading in the Company's Securities on the ASX during a Closed Period except for Excluded Trading or Trading in Exceptional Circumstances.

All directors of the Company are required to comply with the Corporations Act and the ASX Listing Rules with regard to disclosure of their interests in the Company's Securities on their appointment as a director, on any change in their interests in the Company's Securities and on resignation as a director.

WHISTLEBLOWER POLICY

The Company has a whistleblower policy. The Board is informed of any material incidents reported under that policy. The policy is:

WHO IS A WHISTLEBLOWER

To be a whistleblower, you must be a current or former:

- employee of the Company your disclosure is about, or a related company or organisation;
- officer (usually that means a director or company secretary) of the Company your disclosure is about, or a related company or organisation;
- contractor, or an employee of a contractor, who has supplied goods or services to the Company your disclosure is about, or a related company or organisation. This can be either paid or unpaid, and can include volunteers;
- associate of the Company, usually a person with whom the Company acts in concert; or
- spouse, relative or dependant of one of the people referred to above.

If you are a whistleblower, while you must hold or have held one of these roles to access the protections, you do not have to identify yourself or your role, and you can raise your concerns anonymously.

WHO YOU CAN MAKE DISCLOSURE TO

You must make your disclosure to:

- a director, company secretary, company officer, or senior manager of the Company or organisation, or a related company or organisation;
- an auditor, or a member of the audit team, of the Company or organisation, or a related company or organisation;
- an actuary of the Company or organisation, or a related company or organisation;
- a person authorised by the Company to receive whistleblower disclosures;
- ASIC or the Australian Prudential Regulation Authority (APRA); or
- your lawyer.

While you must make your disclosure to one of these people or organisations, you can raise your concerns anonymously.

CODE OF CONDUCT

The Company has established a code of conduct which all directors, senior executives, employees and consultants are required to comply with. Refer above for the code of conduct.

SUBJECT OF DISCLOSURE

You must have reasonable grounds to suspect that the information you are disclosing about the Company concerns:

- misconduct;

- a breach of the Company's code of conduct;
- an improper state of affairs or circumstances;
- This information can be about the Company or organisation, or an officer or employee of the Company or organisation, engaging in conduct that:
 - breaches the Corporations Act,
 - breaches other financial sector laws enforced by ASIC or APRA,
 - breaches an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months, or
 - represents a danger to the public or the financial system;
- A public Interest disclosure as defined below; or
- An emergency disclosure as defined below.

'Reasonable grounds' means that a reasonable person in your position would also suspect the information indicates misconduct or a breach of the law.

PUBLIC INTEREST DISCLOSURES

A disclosure can be a public interest disclosure if the following conditions are met:

- You must have previously made a report to ASIC or APRA that satisfies the criteria in "Subject of Disclosure" above;
- At least 90 days have passed since you reported your concerns to ASIC or APRA, and you do not have reasonable grounds to believe that action to address your concerns is being or has been taken;
- You have reasonable grounds to believe that reporting your concerns to a journalist or parliamentarian would be in the public interest; and
- After 90 days from when you reported to ASIC or APRA, you gave ASIC or APRA a written notice that includes sufficient information to identify your earlier report and states your intention to make a public interest disclosure. This could be by contacting the ASIC officer who considered your concerns and quoting the reference number of your case.

If you have a public interest disclosure then you can report your concerns about misconduct or an improper state of affairs or circumstances or a breach of the law to a journalist or a parliamentarian. The extent of the information disclosed is no greater than is necessary to inform the recipient about your concerns.

EMERGENCY DISCLOSURES

A disclosure can be an emergency disclosure if the following conditions are met:

- You must have previously made a report to ASIC or APRA that satisfies the criteria in Subject of Disclosure" above;
- You have reasonable grounds to believe that the information in your report concerns substantial and imminent danger to the health or safety of one or more people or to the natural environment; and
- You gave ASIC or APRA a written notice that includes sufficient information to identify your earlier report and states your intention to make an emergency disclosure. This could be by contacting the ASIC officer who considered your concerns and quoting the reference number of your case.

If you have an emergency disclosure then you can report your concerns about the substantial or imminent danger to a journalist or parliamentarian. The extent of the information disclosed must be no greater than is necessary to inform the recipient about the substantial and imminent danger.

PROTECTIONS AVAILABLE TO WHISTLEBLOWERS

You can ask the Company to keep your identity, or information that is likely to lead to your identification, confidential. The Company will comply with such a request except that it may report the information to ASIC, APRA, or the Australian Federal Police, or to a lawyer for advice about the whistleblower protections.

It is illegal for a person to reveal the identity of a whistleblower, or information likely to lead to the identification of whistleblower, outside of these circumstances.

In the Company's investigation of the concerns raised in your report, the Company will take reasonable steps to ensure that information likely to lead to your identification is not disclosed without your consent. However, the Company may face difficulties investigating or internally addressing or correcting the misconduct unless you provide some approval for the Company to use your information.

HOW THE COMPANY WILL SUPPORT AND PROTECT WHISTLEBLOWERS

The Corporations Act protects a whistleblower against certain legal actions related to making the whistleblower disclosure, including:

- criminal prosecution (and the disclosure cannot be used against the whistleblower in a prosecution, unless the disclosure is false);
- civil litigation (such as for breach of an employment contract, duty of confidentiality, or other contractual obligation), or
- administrative action (including disciplinary action).

If you are the subject of an action for making a whistleblower disclosure, you may rely on this protection in your defence.

However, this protection does not grant immunity to you for any misconduct that you were involved in that is revealed in the disclosure.

HOW INVESTIGATIONS INTO A DISCLOSURE WILL PROCEED

All whistleblower disclosures are to be referred immediately to the Chairman of directors, who will then notify the Board of directors. The Chairman will then determine the steps required to adequately investigate the disclosures.

HOW THE COMPANY WILL ENSURE FAIR TREATMENT OF EMPLOYEES WHO ARE MENTIONED IN WHISTLEBLOWER DISCLOSURES

The Corporations Act makes it illegal (through a criminal offence and civil penalty) for someone to cause or threaten detriment to you because they believe or suspect that you have made, may have made, or could make a whistleblower disclosure.

The criminal offence and civil penalty apply even if you have not made a whistleblower report, but the offender causes or threatens detriment to you because they believe or suspect you have or might make a report.

A person may be causing you detriment if they:

- dismiss you from your employment
- injure you in your employment
- alter your position or duties to your disadvantage
- discriminate between you and other employees of the same employer
- harass or intimidate you
- harm or injure you, including causing you psychological harm

- damage your property
- damage your reputation
- damage your business or financial position
- cause you any other damage.

The offence and penalty require that the detriment be the result of an actual or suspected whistleblower disclosure. In many cases, particularly in the context of private employment, there may be arguments about whether the conduct involved was victimisation as a result of the whistleblower disclosure or for some other reason.

The Company will comply with the above legal obligations.

POLICY REVIEW

The policy will be periodically reviewed by the Board to check that it is operating effectively and whether any changes are required to the policy.

EMPLOYEE AND MANAGER TRAINING

All managers will be provided with a copy of this policy to ensure that they are aware of how to respond in the event that they receive whistleblower disclosures.

All employees will be provided with a copy of this policy to ensure that they are aware of rights and obligations pursuant to this policy.

All managers and employees are encouraged to refer any questions they may have about the policy to their supervisor.

ANTI-BRIBERY AND CORRUPTION POLICY

The Company has an Anti-Bribery and Corruption policy. The Board is informed of any material incidents reported under that policy. The policy is:

All directors, senior executives, employees and consultants are expected to abide by the Company's Anti-Bribery and Corruption Policy. The Anti-Bribery and Corruption Policy is periodically reviewed to ensure that it is operating effectively and whether any changes are required. The terms of the Anti-Bribery and Corruption Policy are:

- the giving of bribes or other improper payments or benefits to public officials is prohibited;
- the payment of secret commissions to those acting in an agency or fiduciary capacity is prohibited;
- political donations and offering or accepting exceptional gifts, entertainment or hospitality is prohibited without the prior approval of the Board;
- managers and employees likely to be exposed to bribery or corruption are to receive training about how to recognise and deal with it;
- The Company acknowledges that serious criminal and civil penalties that may be incurred and reputational damage may be done if the Company is involved in bribery or corruption; and
- All breaches of this policy are to be reported to the Chairman. Any material breaches of this policy are to be reported to the Board.

The Company has established a code of conduct which all directors, senior executives, employees and consultants are required to comply with. Refer above for the code of conduct.

CORPORATE REPORTING

No audit committee has been established. The Board has not adopted an Audit Committee Charter. Executive directors play an active role in monitoring the daily affairs of the Company. As a result of the scale of operations it has not been considered necessary to form sub-committees.

Each Board member has access to the external auditors and the auditor has access to each Board member.

In the event of the resignation of external auditors, the Board will appoint a new external auditor which is subsequently ratified by shareholders in General Meeting. In all other cases an external auditor is nominated by a shareholder of the Company and is appointed by shareholders in General Meeting. An external auditor can be removed by shareholders in General Meeting. The Board does not have a policy for the rotation of external audit engagement partners.

Before the Board approves the Company's financial statements for a financial period, the Chief Executive Officer and the Chief Finance Officer each declare that, in their opinion, the financial records of the Company for the financial year have been properly maintained, the financial statements and notes for the financial year comply with the appropriate accounting standards, give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The external auditor of the Company attends each Annual General Meeting of shareholders.

Process to verify the integrity of reports issued not subject to audit or review by an external auditor

From time to time, the Company issues reports that are not subject to audit or review by an external auditor, such as annual directors' reports, quarterly activity reports, quarterly cash flow reports and ASX Appendices. To ensure the integrity of such reports, the Company ensures that they are prepared by suitably qualified staff or consultants and are reviewed by the Board or by the appropriate Director.

DISCLOSURE

The Company has established a policy to ensure compliance with ASX Listing Rule disclosure including, but not limited to, Listing Rule 3.1 and accountability at senior executive level for that compliance. This policy is periodically reviewed to ensure that it is operating effectively and whether any changes are required. The terms of the policy are:

- All directors, executives and staff are required to abide by all legal requirements, the Listing Rules of the Australian Stock Exchange and the highest standards of ethical conduct. This includes compliance with the continuous disclosure requirements of the listing rules.
- The Company recognises the importance of its market announcements being accurate, balanced and expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.
- Directors, senior executives and employees are each responsible to inform the Board of any circumstances which could impact the Company's compliance with these requirements.
- The Company ensures that all market announcements are prepared by suitably qualified staff or consultants and are reviewed by the Board or by the appropriate Director.
- The Board delegates authority to approve and authorise ASX announcements on behalf of the Company to appropriate individuals.
- The Company has highlighted to all directors, senior executives and staff, the importance of safeguarding the confidentiality of corporate information and avoiding premature disclosure. The Company restricts analyst briefings and responses to security holder questions to the appropriately qualified staff.
- The Board constantly monitors market developments to ensure that there has not emerged a false market in the Company's securities and will respond appropriately if a false market occurs.
- The Company Secretary is the person responsible for overseeing and co-ordinating disclosure of information to ASX as well as communicating with the ASX.

The Board receives copies of all material market announcements promptly after they have been made.

The Company releases a copy of presentation materials on the ASX Market Announcements Platform before any presentation.

SECURITY HOLDER COMMUNICATION POLICY

The Board seeks to inform security holders of all major developments affecting the Company by:

- preparing half yearly and yearly financial reports and announcing these reports to the ASX;
- preparing quarterly reports in accordance with the listing rules and announcing these reports to the ASX;
- making announcement in accordance with the listing rules and the continuous disclosure obligations;
- maintaining the Company's website and hosting all of the above on the Company's website;
- annually, and more regularly if required, holding a general meeting of shareholders and forwarding to them the notice of meeting and proxy form; and
- voluntarily releasing other information which it believes is in the interest of shareholders.

The Company's investor relations program is based on actively engaging with security holders at the Annual General Meeting, meeting with them upon request and responding to security holder enquiries from time to time. The Annual General Meeting enables shareholders to receive the reports and participate in the meeting by attendance or by written communication. The Board seeks to notify all shareholders so they can be fully informed annually for the voting on the appointment of directors and so as to enable them to have discussion at the Annual General Meeting with the directors and/or the auditor of the Company who is invited to the Annual General Meeting. The Annual General Meeting is held each year at a convenient time and place and all security holders are encouraged to attend and participate.

The Company's website provides facilities for security holders to subscribe to email updates and thereby receive communications from the Company by email.

All shareholders are invited to, and encouraged to attend, all shareholder meetings of the Company. Notices of meetings are sent to all shareholders by their preferred form of communication. Shareholders who are not able to attend can appoint a proxy to attend in their stead and documentation to facilitate the appointment of a proxy is provided to all shareholders for each shareholder meeting. The Board encourages questions and other communications from shareholders at any time.

The Company complies with ASX Guidance Note 35 which requires that the vote on the resolution with an ASX required voting exclusion statement be conducted by a poll rather than by a show of hands. Furthermore, the Chairman of a shareholder meeting ensures that voting on all substantive resolutions reflects the true will of the security holders attending and voting at the meeting, whether they attend in person, electronically or by proxy or other representative.

The Company provides its security holders with the option to receive communications from, and send communications to, the Company and its security registry electronically.

RISK MANAGEMENT POLICY

The Board is conscious of the need to continually maintain systems of risk management and controls to manage all of the assets and affairs of the Company. The Company has established a policy for the oversight of material business risks and the management of material business risks. Risk management is a process of continuous improvement that is integrated into existing practices or business processes. The terms of these risk management policies are:

- liaise with internal and external stakeholders as appropriate at each stage of the risk management process and concerning the process as a whole;
- define the basic parameters within which risks must be managed and set the scope for the rest of the risk management process;

- identify the risks to be managed;
- identify and evaluate existing controls. Determine consequences and likelihood and hence the level of risk. This analysis should consider the range of potential consequences and how these could occur;
- compare estimated levels of risk against pre-established criteria (utilising a risk matrix) and consider the balance between potential benefits and adverse outcomes. This enables decisions to be made about the extent and nature of treatments required and about priorities;
- develop and implement specific cost-effective strategies and action plans for increasing potential benefits and reducing potential costs. Allocate responsibilities to those best placed to address the risk and agree on target date for action;
- the Chairman and Chief Executive Officer are responsible for the implementation and maintenance of sound risk management. In carrying out this responsibility, senior managers review the adequacy of internal controls to ensure that they are operating effectively and are appropriate for achieving corporate goals and objectives;
- the Board is responsible for oversight and for providing corporate assurance on the adequacy of risk management procedures; and
- managers at all levels are to create an environment where managing risk forms the basis of all activities.

Risk management includes asset risk, operational risk, personnel health and safety risk, currency fluctuation risk, amongst others. The Company identifies and manages those risks on a case by case and overall corporate basis.

The Company does not have an internal audit function. The Board has required management to design and implement processes for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes and has required management to report to it on whether those processes are being managed effectively.

A formal risk management evaluation was not carried out in the financial year as the Board monitors risk on an on-going basis.

The Company has regulatory responsibility for the environmental consequences of its activities. The Company engages qualified employees or consultants where applicable to manage its environmental responsibilities and complies with these obligations.

REMUNERATION POLICY

There is no formal remuneration committee. The Board has not adopted a Remuneration Committee Charter. The functions that would have been carried out by a remuneration committee are performed as follows:

- The remuneration of executive directors is determined by the Board as a whole. The remuneration of non-director senior executives is determined by the chief executive officer.
- A maximum amount of remuneration for non-executive directors is fixed by shareholders in general meeting and can be varied in that same manner. The Board as a whole determines the remuneration of each non-executive director. In determining the allocation of remuneration to each non-executive director, the Board takes account of the time demands made on the directors together with such factors as fees paid to other corporate directors and to the responsibilities undertaken by them.
- When the Board as a whole considers the remuneration of a particular director, that director will take no part in the decision making process or discussions.
- Each member of the Board has committed to spending sufficient time to enable them to carry out their duties as a director of the Company. One third of the directors retires annually in accordance with the Constitution and is free to seek re-election by shareholders.

There are no schemes for retirement benefits other than contributions to external superannuation funds. There is no policy on prohibiting transactions in associated products which limit the economic risk to directors and executives of participating in unvested entitlements under an equity based remuneration scheme, other than the Company's policy for trading in the securities of the Company. The Company has from time to time issued securities of the Company and performance rights to executives and directors. Securities issued to directors are pursuant to the approval of the Company's shareholders in general meeting. The Company has an employee share plan in place which was approved by the Company's shareholders in general meeting. The Company does not currently have any other unvested equity based remuneration scheme.