



29 September 2017

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The Company Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Road
SYDNEY NSW 2000

Corporate Governance for the 2017 Financial Year

Longford Resources Limited presents, in relation to the 2017 financial year the following Corporate Governance documentation:

- Appendix 4G Key to Disclosures – Corporate Governance Council Principles and Recommendations; and
- Corporate Governance Statement

Both these documents are released in accordance with Listing Rule 4.7.3, 4.7.4 and 4.10.3.

A handwritten signature in blue ink, appearing to read "E. Kestel", with a long horizontal flourish extending to the right.

Eryn Kestel
Company Secretary

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Longford Resources Limited

ABN / ARBN:

23 108 456 444

Financial year ended:

30 June 2017

Our corporate governance statement² for the above period above can be found at:³

- ☐ These pages of our Annual Report:
- ☒ This URL on our website www.longfordresources.com/corporate-governance/

The Corporate Governance Statement is accurate and up to date as at 29 September 2017 and has been approved by the board.

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

Eryn Kestel
Company Secretary

29 September 2017

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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 rule 4.10.3.

² "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.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> at www.longfordresources.com/corporate-governance/ ... <input checked="" type="checkbox"/> in Board Charter which is located at www.longfordresources.com/corporate-governance/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> in the Notice of Annual General Meeting and Directors Reports in 2017 Annual which is located at www.longfordresources.com/investor	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> in Board Charter which is located at www.longfordresources.com/corporate-governance/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ 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.

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> ... and a copy of the diversity policy which is located at www.longfordresources.com/corporate-governance/</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>Not Applicable</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> <p>(c) <input checked="" type="checkbox"/> an explanation is provided in the Corporate Governance Statement regarding no measurable objectives have been set.</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>Also refer to the Performance Evaluation Process Policy which is located at www.longfordresources.com/corporate-governance/</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p><input type="checkbox"/> located at</p> <p><input checked="" type="checkbox"/> at www.longfordresources.com/corporate-governance/</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p><input type="checkbox"/> located at</p> <p>[If the entity complies with paragraph (b):]</p> <p>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Board Charter at www.longfordresources.com/corporate-governance/</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> in Directors Reports in 2017 Annual which is located at www.longfordresources.com/investors/</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input type="checkbox"/> located at http://ramresources.com.au/corporate_directory.html</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Board Charter located at www.longfordresources.com/corporate-governance/</p> <p>-</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p><input type="checkbox"/> located at</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: <ul style="list-style-type: none"> (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. 	... our code of conduct or a summary of it: <ul style="list-style-type: none"> <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> at Directors' and Executive Officers Code of Conduct Charter at www.longfordresources.com/corporate-governance/ 	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> at www.longfordresources.com/corporate-governance/...</p> <p><input checked="" type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>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.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Communication Policy which is located at www.longfordresources.com/corporate-governance/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	<p>... our continuous disclosure compliance policy or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Continuous Disclosure Charter which is located at www.longfordresources.com/corporate-governance/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
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.	<p>... information about us and our governance on our website:</p> <p><input checked="" type="checkbox"/> at www.longfordresources.com</p> <p>and</p> <p><input checked="" type="checkbox"/> www.longfordresources.com/corporate-governance/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Communication Policy which is located at www.longfordresources.com/corporate-governance/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Communication Policy which is located at www.longfordresources.com/corporate-governance/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> at www.longfordresources.com/corporate-governance/...</p> <p><input checked="" type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Risk Management Policy which is located at www.longfordresources.com/corporate-governance/</p>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our Corporate Governance Statement	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> at www.longfordresources.com/corporate-governance/...</p> <p><input checked="" type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> Not applicable</p> <p><input checked="" type="checkbox"/> in our Corporate Governance</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> at the Remuneration Report within the Directors' Report in the 2017 Annual Financial Report</p> <p>www.longfordresources.com/investors/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at Securities Dealing Policy</p> <p>http://ramresources.com.au/corporate_directory.html</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Longford Resources Limited
2017 CORPORATE GOVERNANCE STATEMENT –
Compliance with ASX Principles

Corporate Governance Recommendation		Is the Recommendation followed
Principle 1 <i>Lay solid foundations for management and oversight</i>		
1.1	Disclose roles and responsibilities of board and management	Yes
1.2	Undertake appropriate checks before appointing or electing a person as director	Yes
1.3	Written agreement with each director and senior executive	Yes
1.4	Company Secretary accountable directly to Board	Yes
1.5	Diversity Policy disclosures reported	Partly
1.6	Board performance evaluation undertaken	Partly
1.7	Senior executive performance evaluation undertaken	Yes
Principle 2 <i>Structure the Board to add value</i>		
2.1	Nomination committee requirements met	No
2.2	Board skills matrix disclosed	Yes
2.3	Director Independence and tenure disclosed	Yes
2.4	Majority of the board are independent directors	Partly
2.5	Chair of the board is an independent director and not the same person as the MD	Yes
2.6	Director induction and ongoing training program	No
Principle 3 <i>Act ethically and responsibly</i>		
3.1	Code of conduct available on website	Yes
Principle 4 <i>Safeguard integrity in corporate reporting</i>		
4.1	Audit committee requirements met	No
4.2	MD and CFO financial statement declarations received	Yes
4.3	External auditors attend AGM and available to answer questions from securityholders	Yes
Principle 5 <i>Make timely and balanced disclosure</i>		
5.1	Continuous Disclosure Policy available on website	Yes
Principle 6 <i>Respect the rights of securityholders</i>		
6.1	Corporate and governance information available on website	Yes
6.2	Investor relations program	Yes
6.3	Processes to facilitate and encourage participation at securityholder meetings	Yes
6.4	Electronic securityholder communications functionality	Yes
Principle 7 <i>Recognise and manage risk</i>		
7.1	Risk committee requirements met	No
7.2	Annual review of risk management framework	Yes
7.3	No internal audit function but internal control processes in place	Yes
7.4	Disclosure of material exposure to and management of economic, environmental and social sustainability risk	Yes
Principle 8 <i>Remunerate fairly and responsibly</i>		
8.1	Remuneration committee requirements	Yes
8.2	Remuneration practices disclosed	Yes
8.3	Remuneration Policy disclosures regarding equity based remuneration	Yes

Principle 1:*Lay solid foundations for management and oversight*

Establish and disclose the respective roles and responsibilities of the board and management and how their performance is monitored and evaluated

1.1 The Company should disclose

- (a) the respective roles and responsibilities of the board and management; and
- (b) those matters expressly reserved to the board and those delegated to management

The Board of Longford Resources Limited (Longford) monitors progress and performance on behalf of its shareholders, by whom it is elected and to whom it is accountable.

The Board charter discloses the specific responsibilities of the Board and those delegated to management which ensures that the Board discharges its responsibilities in an effective and capable manner.

The Board's primary responsibility is to satisfy the expectations and be a custodian for the interests of its shareholders in addition to identifying areas of risk and opportunity, and responding appropriately.

The Company has two (2) appointments - an Exploration Managing Director who implements the exploration and investment strategy and an Interim CEO who manages daily operations. Both the Managing Director and Interim CEO makes recommendations to the Board.

A Consultancy Agreement has been established to formalise the relationship between the Company and the Managing Director.

1.2 The Company should

- (a) undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director; and
- (b) provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director

The Board, oversees the appointment, selection and induction process for directors. When a vacancy exists or there is need for particular skills, the Board determines the selection criteria based on the skills deemed necessary.

Each appointed director of the Company has undergone appropriate background checks (including character, experience, education, and insolvency).

The 2017 Notice of Meeting for the election of directors will set out all information suggested by Recommendation 1.2.

Furthermore, a profile of each director is disclosed in the Company's Annual Report.

1.3 The Company should have a written agreement with each director and senior executive setting out the terms of their appointment.

The terms on which the directors are appointed are set out in written letter agreements between the Company and the individual. The terms on which senior executives are appointed are set out in Consultancy Agreements.

These written agreements establishes the roles and responsibilities of each Company office, their duties and accountabilities.

Each director also enters into required agreements regarding insurance, access to records and disclosure of any trading in the Company securities as required under the Listing Rules.

1.4 The Company Secretary should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The qualifications and experience of the Company Secretary is set out in the Directors' Report of the Annual Report.

The Company Secretary is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board, managing the flow of information between the Board and senior executives. Further details on the role of the Company Secretary are set out in the Company's Board Charter

Each Director of the Company is able to communicate directly with the Company Secretary and vice versa.

1.5 The Company should:

- (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them;
- (b) Disclose that policy or a summary of it; and
- (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the Company's diversity policy and its progress towards achieving them, and either
 - The respective proportions of men and women on the board, in senior executive positions and across the whole organization; or
 - The most recent "Gender Equity Indicators" as defined in the Workplace Gender Equality Act

The Company has established a policy on diversity in the boardroom and for senior management which provides a framework for new and existing diversity related initiatives and policies to be implemented and maintained. The Policy is available on the Company's webpage.

The Company has not determined measurable objectives on gender diversity at present because of size and scale of operations but the Company does promote a culture of equal opportunity and has the principles of equality, fairness and contribution to commercial success at all levels within the Company.

The Company will establish measurable objectives for achieving gender diversity as and when its workforce reaches a size that justifies such a policy, which the Board has determined will be at least 10 employees.

At all times the Board looks for ways to achieve a broader pool of skilled and experienced senior management and Board candidates, and will review any opportunities to increase gender diversity in future years as projects move to a steady operational environment and this will include identifying future and targeted measurable objectives.

Pursuant to Recommendation 1.5 of the Recommendations, the Company discloses the following information as at the date of this report:

- Percentage of women and men employed within the Group – women: Nil%; men: Nil%;
- Percentage of women and men employed as a senior executive – women: Nil%; men: 100%;
- Percentage of women and men employed at the Board level – women: Nil%; men: 100%

The Company has defined an employee who is a senior executive as a person who is a "senior manager" as defined in Section 9 (Definitions) of the Corporations Act 2001, namely a person who is at the highest management level of the Company who "makes, or participates in making decisions that affect the whole, or a substantial part, of the business of the corporation; or has the capacity to affect significantly the corporation's financial standing". The performance appraisal of a senior executive is performed by the Managing Director and the Remuneration Committee.

The current Company Secretary is a female and all three (3) board positions are male.

1.6 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) Disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process

The small scale of the Board and the nature of the Company's activities makes the formal establishment of a performance evaluation strategy unnecessary at the moment, although the Company has adopted a Performance Evaluation Process Policy which will have more relevance when the workforce reaches a size that justifies adherence – which the Board has set at being at least 10 employees.

Performance evaluation is currently managed by the Chairman. The Chairman assesses each Board member's performance and the performance of the Managing Director on an annual basis between June and September.

The 2017 performance evaluation process was an informal discussion with the collective board.

1.7 The Company should

- (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and
- (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period on accordance with that process

The Company engages external consultants to fulfil the key management and administrative roles, so presently, assessment of their performance is conducted without a formal evaluation process.

Whilst this is at variance with ASX Recommendation 1.7, the directors consider that an appropriate and adequate process for the evaluation of the consultants is in place. A more structured process of

assessment will be considered in the future as projects develop.

Principle 2:

Structure the board to add value

The board should be of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.

2.1 The Company should

(a) Have a nomination committee

- With a least three (3) members, a majority of who are independent directors;
- Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

- (b) If the Company has no nomination committee, there must be disclosure of 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 independent and diversity to enable it to discharge its duties and responsibilities effectively.

The Company recognises that Recommendation 2.1 of the ASX Corporate Governance Council suggests the establishment of a Nomination Committee and associated Charter.

However, in view of the small size of the Company's Board, the Board in its entirety, acts effectively as Nomination Committee and there is no need to further subdivide the Board at the moment. A separate Nomination Committee is an unnecessary measure at the moment for Longford.

During the 2017 financial year, the Company engaged a boutique corporate advisory firm who reviewed the Board as a whole in regard to size, structure and composition including competencies and diversity and have advised the Board how to improve continuing development – including two (2) new Board appointments towards the end of the year.

2.2 The Company should have and disclose a board skills matrix of skills and diversity that the board currently has or is looking to achieve in its membership.

It is a policy of Longford that the Board comprises individuals with a range of knowledge, skills and experience which are appropriate to its objectives.

The Board currently comprises three (3) directors, including one (1) non-executive director, one (1) exploration managing director and one (1) interim CEO – the exploration managing director is not considered executive despite his title, his Agreement specifically defines him as a consultant.

Details of the directors, including their qualifications and date of appointment are set out in the Board Charter. Detailed biographies are set out in the Directors' Report of the Company's 2017 Annual Report.

The Company identifies the following as the main areas of skills required by the Board to successfully service the Company. The Directors have been measured to these areas in the skills matrix:

Skills and Experience	Board representation (out of 3 Directors)
Executive and Non-Executive Experience	3
Industry experience and knowledge	2
Leadership	3
Corporate Governance and Risk Management	2
Strategic Thinking	3
Acquisitions	3
Capital Markets experience	3
Public company experience	2
Financial acumen	2
<i>Subject matter expertise</i>	
• Mineral Exploration and Geology	1
• Mining	1
• Metallurgy and processing	1
• Accounting and audit	2
• Environmental	1
• Capital Management	2
• Corporate financing	2
• Industry Taxation	2
• Risk Management	3

As a team, the Board brings together a broad range of experience but to the extent that any skills are not

directly represented on the Board, they are augmented through external advisors.

2.3 The Company should disclose:

- (a) The names of the directors considered by the board to be independent;
- (b) If a director has an interest, position, association or relationship that might cause doubts about the independence of a director but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and explanation of why the board is of that opinion; and
- (c) The length of service of each director

The Board gives formal recognition to a detailed definition of independence being “independence of thought and decision making”,

Due to the desire to contain costs and whilst identifying the Company’s future strategic direction, the Board has comprised of only three (3) directors and as at the date of this Statement, only one (1) director is considered to be independent.

Mr Bassett is independent of management, has no interest, position, association or relationship that would compromise his independence directly or indirectly and individually holds less than 5% of the issued ordinary shares of the Company.

The Company has a relationship with Mr Guy, the Exploration Managing Director and as at the date of this Statement a relationship exists with Mr Mison who was appointed interim CEO on the 18 May 2017. However, Mr Mison’s non-independence is only short term in nature as the Board structure will alter with forthcoming changed circumstances.

A review of the independence criteria detailed in Recommendation 2.3 of the Recommendations in relation to each director is made on a regular basis and when appropriate.

Name	Status	Appointment Date
Neville Bassett (Chairman)	Independent	22 March 2004 – / 13.5 years
Charles Guy	Not Independent	28 March 2013 / 4.5 years
Scott Mison	Not Independent	2 November 2016 / 10 months

2.4 A majority of the board should be independent directors

At present, independent directors comprise only 33% of the Board.

The Company has three directors but only one (1) independent non-executive director, being Neville Bassett (who is also the Chairman).

Mr Mison was appointed as an independent Non-Executive Director on 2 November 2017 and maintained that status until the 17 May 2017 when he was appointed Interim CEO.

It is the view of the directors, that the Board was comprised of a majority of independent directors over the course of the 2017 financial year.

The relevant skills, experience and expertise of each director as well as the period of office held by each director are described in the Company’s Annual Report.

The directors believe that there exists a strong incentive for all board members to carry out their directorial duties in an independent manner. The Board considers that this, combined with sufficient independence of view and variety of intellectual input between the directors to be satisfied with the ratio of independent and non-independent directors.

A determination with respect to independence is made by the board on an annual basis. In addition, the directors are required on an ongoing basis to disclose relevant personal interests and conflicts of interest which may in turn trigger a review of a director’s independent status.

2.5 The chair of the board should be an independent director and, in particular should not be the same person as the CEO.

The Chairman is elected from the independent non-executive directors. The current serving Chairman is independent.

The Chairman is responsible for the leadership and effective performance of the board, to facilitate the effective contribution of all directors and promote respectful relations between the board and management. The Chairman’s responsibilities are set out in more detail in the Board Charter.

The Chairman’s role is separate from that of the CEO - Mr Mison who is responsible for the day to day management of the Company, thereby affecting a segregation of duties.

2.6 The Company should have a program for inducing new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

The Company does not have a formal induction program or a professional development program for new directors at present.

New directors are fully briefed about the nature of the business, current issues, the corporate strategy and the expectations of the Company concerning performance of Directors.

Directors do nominate themselves for specific professional development activities from time to time and the Board considers each such proposal on its merits. Current Board policy is for the cost of approved professional development activities to be fully paid for by the Company.

Principle 3:

Act ethically and responsibly

The Company should act ethically and responsibly

3.1 The Company should:

- (a) Have a code of conduct for its directors, senior executives and employees; and
- (b) That disclose that code or a summary of it.

A Directors and Executive Officers' Code of Conduct Policy, is in place and provides a framework for decisions and actions in relation to ethical conduct in employment.

The Shareholder Communications Strategy, the Securities Trading Policy, and the Continuous Disclosure Policy, collectively form a solid ethical foundation for company practices, must be complied with at all times.

Principle 4:

Safeguard integrity in corporate reporting

The Company should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting

4.1 The Company should:

- (a) Have an audit committee
 - With at least three (3) members, all of whom are non-executive directors and the majority of who are independent directors;
 - Chaired by an independent director who is not the chair of the board

And discloses:

- The charter of the committee;
- The relevant qualifications and experience of the members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

- (b) If the Company has no audit committee, there must be disclosure of that fact and the processes it employs to 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.

The directors do not consider that the Company's affairs are of such a size and complexity to merit the establishment of a separate audit committee. Until this situation changes, the Board will carry out all audit committee functions.

The Board monitors the form and content of the Company's financial statements and maintains an overview of the Company's internal financial control and audit system and risk management systems.

4.2 Before the board approves the financial statements for a financial period, it should receive from its CEO and CFO a declaration that, in their opinion the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and gives a true and fair view of the financial position and performance of the Company which has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Prior to approval of any financial statement for a financial period, the Company's Interim CEO and external Accountant provides to the Board a declaration in accordance with Section 295A of the Corporations Act which also accords with Recommendation 4

4.3 The external auditors are to attend the Company's AGM and are available to answer questions from shareholders relevant to the audit.

Section 249K of the Corporations Act requires a Company to give its auditor a notice of a general meeting and section 250RA requires an auditor to attend a listed company's Annual General Meeting.

The Company's external auditor is duly represented at the company's Annual General Meeting and is available to answer questions from shareholders concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

The Auditor's presence is made known to Shareholders during the Meeting and Shareholders are provided with an opportunity to put forward questions to the external auditor.

Principle 5:*Make timely and balanced disclosure*

The Company should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities

5.1 The Company should

- (a) Have a written policy for complying with its Continuous disclosure obligations under the Listing Rules; and
- (b) Disclose that policy or a summary of it

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

The Company will immediately notify the market of any information concerning itself which is not subject to the exceptions in Rule 3.1A of the ASX Listing Rules and which a reasonable person would expect to have a material effect on the price or value of Longford's securities.

The Chairman, Interim CEO and the Company Secretary are responsible for the regular review of the Company's affairs to ensure that any relevant information is promptly announced to the ASX.

Release of material information to the ASX is conducted by the Company Secretary. Where the ASX contacts the Company, for example in the event of unusual share price fluctuations, communications are managed by the Company Secretary with reference to the Interim CEO.

A Continuous Disclosure Policy has been adopted and the Policy is available on the Company's website.

Principle 6:*Respect the rights of shareholders*

The Company should respect the rights of its shareholders by providing them with appropriate information and facilities to allow them to exercise those rights effectively

6.1 The Company should provide information about itself and its governance to investors via its website.

The Company maintains a website and shareholders can find all recent information on the Company including its background, objectives, projects and contact details. The Corporate Governance page provides access to key policies, procedures and charters of the Company, such as the Board and Committee charters, securities trading policy, diversity policy and the latest Corporate Governance Statement.

ASX announcements, Company reports and presentations are uploaded to the website following release to the ASX and editorial content is updated on a regular basis.

Shareholders may also request a copy of the Company's ASX recent releases.

6.2 The Company should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Company has established a Shareholder Communications Policy which aims to ensure that shareholders are fully informed by communicating to them through

- Continuous disclosure reporting to the ASX;
- Quarterly, half yearly and annual reports; and
- Media releases, copies of which are lodged with the ASX and place on the Company's website

The Company principally engages with its security holders at its AGM or personally as requested by individual security holders, which is a practice that the Company encourages.

6.3 The Company should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of shareholders.

The Shareholder Communications Policy aims to ensure shareholder participation at all Annual and General Meetings and sets the time and place of each meeting to promote maximum attendance by Shareholders.

Questions from security holders, whether or not present at General Meetings, are encouraged and the responses to these questions to be addressed through disclosure relating to that meeting.

6.4 The Company should give shareholders the option to receive communications from and send communications to the Company and its share registry electronically.

It is the Company's desire that shareholders receive communications electronically in the interests of the environment and constraining costs. In an endeavour to drive this objective the Company provides security holders the option to receive communications from, and to send communications to, the Company electronically.

Principle 7:

Recognise and manage risk

The Company should establish a sound risk management framework and periodically review the effectiveness of that framework

7.1 The Company should:

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

- Has at least three (3) members, a majority of who are independent directors; and
- Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

(b) If the Company has no risk committee or committees, that satisfy (a) above, disclose that fact and the processes it employs to oversee the Company's risk management framework.

In view of the small size of the Company's Board, the Board in its entirety acts, effectively, as a committee to oversee risk and there is no need to further subdivide it.

The Board has approved and adopted a Risk Management Policy which provides guidance and direction on the management of risk which is likely to impact the Company's main business enterprise – mineral exploration and managing cashflow expectations.

The Directors have significant experience in and understanding of the industry in which the Company operates and the risks associated with public companies in mineral exploration to perform the functions associated with risk that would be performed by a committee established to oversee risk.

Risk management is specifically discussed by the full Board at the Company's board meetings during the year. The Board considers that this process adequately monitors the Company's risk management framework.

7.2 The board or a Committee of the board should:

(a) Review the Company's risk management framework at least annually to satisfy itself that, it continues to be sound; and

(b) Discloses, in relation to each reporting period, whether such a review has been taken.

The Company's risk management framework was reviewed in September 2017 in terms of finance and exploration risk as these were the key areas and focus during the financial year.

The Board does meet regularly whereby the strategic, financial, business, compliance and operational risks including ability to raise capital to fund business acquisitions should the opportunity present, share price fluctuations, adequate levels of insurance, contract documentation, compliance with financial reporting and statutory obligations, retention of key executives and increasing costs of operations are reviewed and discussed by the Board.

The Board recognises that there are inherent risks associated with the Company's operations and the Board endeavours to mitigate such risks by continually reviewing the activities of the Company in order to identify key business and operational risks and ensuring that they are appropriately assessed and managed.

7.3 The Company should disclose:

(a) If it has an internal audit function, how the function is structured and what role it performs; or

(b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The Company has no internal audit function.

The board are responsible for establishing and maintaining an internal control structure. This structure is documented and periodically reviewed by the Chairman.

7.4 The Company should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does, how it manages or intends to manage those risks.

The activities of Longford are subject to risks that can adversely impact its business and financial condition.

The Company recognises that it has exposure to economic risks. The Company manages its economic and social sustainability risks by maintaining good relationships with its suppliers and investors.

The Company also has a code of business conduct and ethics for its directors, officers, employees, consultants, contractors and associates. The code of business conduct addresses, among other things, dealing with public officials, equal opportunity and community relations.

The financial risks to which the Company is exposed to and the Company's approach to managing them are identified in the Going Concern Note of the Notes to the Financial Statements contained in the Company's 2017 Annual Report.

Before approving the Company's financial statements for the financial period, the Board receives and considers the declaration from the Interim CEO and the Accountant in accordance with ASX Principles.

Areas of risk are highlighted by the Chairman on a regular basis together with periodic board reporting by the Interim CEO and Exploration Managing Director in respect of operations and the financial position of the Company and ensuring all legal, reporting and compliance matters and obligations are met.

Principle 8

Remunerate fairly and responsibly

The Company should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for Shareholders.

8.1 The Board should

(a) Have a remuneration committee which

- Has at least three (3) members, a majority of who are independent directors;
- Chaired by an independent director

And discloses:

- The charter of the committee;
- The members of the committee; and
- The number of times the committee met throughout the period and the individual attendance of the members at those meetings

(b) If the Company has no 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.

Due to the small size of the Board and the fact that remuneration matters are monitored by the Board in its entirety, the Board believes a separate Remuneration Committee is unnecessary and inappropriate.

Remuneration matters for the Company predominantly relate to the remuneration paid to the Managing Director, which is addressed by a set formula in a Consultancy Agreement.

The Constitution stipulates that the aggregate remuneration available for division amongst the non-executive directors is determined by the shareholders in general meeting. The amount approved or some part of it, is divided among the non-executive directors as determined by the Board.

The Company maintains a Directors and Officers Policy. An indemnity agreement has been entered into between the Company and each of the directors of the Company and with the Managing Director. Under the agreement, the Company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities to the extent permitted by law.

There is a \$1 million monetary limit to the extent of this indemnity

8.2 The Company should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The Board distinguishes the remuneration of non-executive directors from that of executive directors.

The Company's Constitution provides that the remuneration of non-executive directors is fixed and they do not participate in any incentive plans. And do not receive any retirement benefits. For information about non-executive director remuneration practice, reference can be made to the audited remuneration report set out in the Directors' Report.

The board is responsible for determining the remuneration of any director or senior executive without the participation of the concerned director or executive

Furthermore, the information provided in the Remuneration Report is audited as required by Section

308(3C) of the Corporations Act 2001.

8.3 The Company if it 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

The Company does not have an equity based remuneration scheme

The Company's policy on Dealing in Securities prohibits participants from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

A copy of the Dealing Policy is on the Company's webpage.