

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Gindalbie Metals Limited

ABN / ARBN:

24 060 857 614

Financial year ended:

30 June 2017

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

- These pages of our annual report:
- This URL on our website: **[http://www.gindalbie.com.au/investor\\_\\_\\_media\\_centre/asx\\_announcements](http://www.gindalbie.com.au/investor___media_centre/asx_announcements)**

The Corporate Governance Statement is accurate and up to date as at *[insert effective date of statement]* and has been approved by the board.

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

Date: 23 October 2017

Name of Director or Secretary authorising lodgement: Rebecca Moylan

<sup>1</sup> 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.

<sup>2</sup> "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.

<sup>3</sup> 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 ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
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"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> at <a href="http://www.gindalbie.com.au/about_us/corporate_governance">http://www.gindalbie.com.au/about_us/corporate_governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 <b>OR</b> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> 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 ... <sup>4</sup>
<p>1.5 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 <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.gindalbie.com.au/about_us/corporate_governance">http://www.gindalbie.com.au/about_us/corporate_governance</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 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>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 <b>OR</b></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 ... <sup>4</sup>
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>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at the Remuneration Report on pages 13 of the 2016 Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></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 ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
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 checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>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>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></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 ... <sup>4</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, 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 (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at page 10 of the 2016 Annual Report	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at <a href="http://www.gindalbie.com.au/about_us/corporate_governance.p">http://www.gindalbie.com.au/about_us/corporate_governance.p</a>	<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 ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
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 an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></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 <b>OR</b></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>

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 ... <sup>4</sup>
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
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.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <a href="http://www.gindalbie.com.au/about_us/corporate_governance">http://www.gindalbie.com.au/about_us/corporate_governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://www.gindalbie.com.au/about_us/corporate_governance">http://www.gindalbie.com.au/about_us/corporate_governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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
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 <b>OR</b> <input type="checkbox"/> at <i>[insert location]</i>	<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 ... <sup>4</sup>	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
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 checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.gindalbie.com.au/about_us/corporate_governance">http://www.gindalbie.com.au/about_us/corporate_governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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>
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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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>

	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 ... <sup>4</sup>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):]  ... how our internal audit function is structured and what role it performs:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]  ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:  <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at <i>[insert location]</i></p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... 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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input checked="" type="checkbox"/> at page 9 of the 2016 Annual Report</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 ... <sup>4</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
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 remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at the Remuneration report on pages 12-13 of the 2016 Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></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 ... <sup>4</sup>
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 <b>OR</b></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

**Gindalbie Metals Ltd**

**ACN 079 280 014**

# **Corporate Governance Statement**

**12 September 2017**

Gindalbie is committed to creating and building sustainable value for shareholders and protecting stakeholder interests.

Gindalbie recognises that high standards of corporate governance are essential to achieving that objective. Gindalbie continues to develop and review its corporate governance practices by reference to the ASX Corporate Governance Principles and Recommendations (**Governance Principles**).

The specific elements of Gindalbie's corporate governance practices are set out below. These practices reflect the Company's existing corporate governance policies and is current as at 12 September 2017. This statement has been approved by the Board. Copies of the relevant policies are available in the corporate governance section of the Company's website at [www.gindalbiemetals.com.au](http://www.gindalbiemetals.com.au)

## **ROLE OF THE BOARD**

The Board's primary role is the protection and enhancement of long-term shareholder value. The Board takes responsibility for the Company's corporate governance program and oversees its strategic direction and conduct of business activities.

## **BOARD FUNCTIONS**

The Company has established the functions reserved for the Board. These functions are provided in the Board Charter. The Board Charter recognises that the following overall powers and responsibilities are reserved for the Board.

- Corporate governance;
- Approving strategic direction;
- Approving and monitoring capital expenditure;
- Monitoring of financial performance and integrity with financial reporting;
- Reviewing and monitoring the systems of risk management, internal controls and compliance;
- Appointing, removing and setting succession policies for the Board and Executives; and
- Establishing and monitoring the achievement of management's goals.

A copy of the Board Charter is available on Company's website ([www.gindalbie.com.au](http://www.gindalbie.com.au)).

## **MANAGEMENT FUNCTIONS**

The Company has established the functions that are reserved for management. These reserved functions are provided for in the Board Charter.

The Board Charter recognises that the actual implementation of corporate strategy and day to day management of project development and exploration has been delegated by the Board to the

Chief Executive Officer and executive management. Responsibilities are delineated by formal authority delegations and detailed in relevant executive contracts of employment.

## **BOARD COMPOSITION**

The composition of the Board provides the Company with a broad base of industry, business, financial, technical and corporate skills and experience considered necessary to represent shareholders and fulfil the business objectives of the Company.

The Board currently comprises five Non-Executive Directors. During the majority of the reporting period there was five Non-Executive Directors.

The Company is required to comment on Recommendation 2 of the Governance Principles as relates to the “independence” of the Chair and the Board. The Company agrees in principle with the definition of “independence” proposed by Recommendation 2.

The Chairman, Mr Keith Jones, meets the definition of “independence” under Recommendation 2 as he has not served as an Executive Director of the Company.

The Board does currently have a majority of Directors who meet the test of “independence” under Recommendation 2 of the ASX Corporate Governance Principles and Recommendations. Of the Board’s five current Non-Executive Directors, three are considered independent by the Company: Mr Keith Jones, Mr Robin Marshall and Mr Paul Hallam. As Mr Ge Li, and Mr Anlin Shao, are all representative Directors of major shareholder Ansteel, these Directors are not considered “independent” for the purposes of Recommendation 2.

The Board is mindful of the Governance Principles and the preference for a majority of independent Directors. The Board will continue to monitor and review its composition

The skills, experience and expertise relevant to each Director are provided in the Directors’ Report on pages 10 of the Annual Report. The Board selects Board members by reference to the relevance of their overall industry experience and ultimately their ability to contribute towards the strategic direction of the Company. The Board assesses the skills and diversity of its existing Board members when considering selecting new Board appointees and will engage with external search providers where appropriate. The Board has developed a diversity policy and understands the importance of ensuring diversity of Board members and employees as concerns, age, gender, ethnicity and cultural background.

## **BOARD MEETINGS**

The Board currently hold scheduled meetings during the year together with additional meetings for strategic planning, steering committees and special matters. During the reporting period three formal Board meetings were held. The Chairman manages the conduct of Gindalbie meetings and strives to ensure open and constructive discussions between Board members and management.

Standing agenda items include:

- Chief Executive Officer’s report (Legal, corporate, project development, EH&S);
- Disclosure and Compliance – ASX & ASIC;
- Finance and Administration report;

## **COMMITTEES**

Gindalbie does not have a Remuneration or Nomination Committee of the Board of Directors nor does it have an Audit Committee. The full Board of Directors undertake the role of these individual committees. Given the composition of the Board and the size of the Company, it felt that individual committees are not warranted, however it is expected that as the Company's operations expand that each of these committees will be established. An update as to these matters is provided in the corporate governance statement.

## **EVALUATION OF BOARD AND SENIOR EXECUTIVES**

The performance of the Board and Senior Executives is reviewed on an ongoing basis to ensure alignment to the Company's corporate objectives.

In particular the assessment of Senior Executives is conducted by reference to agreed key performance indicators which are agreed at the start of each year and formally reviewed at the end of the relevant year. The evaluation of the Board is overseen by the Chairman and Board members are required to complete questionnaires providing feedback on the Board's performance. The review process for Committees is undertaken by way of feedback from the Board.

The review process for Senior Executives was undertaken either during or shortly following the end of the reporting period in accordance with the process disclosed.

## **BOARD EDUCATION**

The Company has a process to educate new Directors about the nature of the business, current issues, the corporate strategy and the expectations of the consolidated entity concerning performance of Directors. Directors also have the opportunity to visit all operations and meet with management to gain a better understanding of each business unit. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge.

## **INDEPENDENT PROFESSIONAL ADVICE AND ACCESS TO COMPANY INFORMATION**

Each Director has the right of access to all relevant Company information, to the Company's executives and, subject to prior consultation with the Chairman, may seek independent professional advice from a suitably qualified adviser at the consolidated entity's expense.

## **CODE OF CONDUCT**

The Board is responsible for setting the tone of legal, ethical and moral conduct to ensure the Company is considered reputable by the industry and outside entities. Gindalbie has adopted a Code of Conduct setting out minimum standards for Directors, managers and employees as to the practices necessary to maintain confidence in the Company's integrity and to take into account the Company's legal obligations and expectations of stakeholders. The code of conduct sets out responsibility and accountability for reporting and investigating any unethical practices.

A copy of the Code of Conduct is on the Company's website ([www.gindalbie.com.au](http://www.gindalbie.com.au)).

The key elements of the Code include:

- Obligation to abide by laws and regulations where the Company operates;
- Responsibility to community and broader stakeholder interests;
- Mandatory compliance with breaches reportable to relevant managers; and
- Ongoing disclosure in respect of any conflicts of interest.

## **TRADING IN COMPANY SECURITIES BY DIRECTORS AND SENIOR EXECUTIVES**

To safeguard against insider trading, Gindalbie's Policy on Trading in Company Securities prevents Directors and employees trading if they are aware of any information that would be expected to have a material effect on the price of Company securities.

A copy of the Policy on Trading in Company Securities is located on the Company's website ([www.gindalbie.com.au](http://www.gindalbie.com.au)).

The key elements of the Policy include:

- Explanation of insider trading provisions and consequences;
- Additional restrictions on trading by Directors and senior executives requiring disclosure;
- Hedging restrictions in respect of unvested remuneration entitlements
- Restrictions on trading by Directors and senior executives within periods leading up to and following ASX announcements; and
- Restrictions on trading by Directors and senior executives within nominated 'black out' periods prior to reporting of statutory accounts.

## **CONTINUOUS DISCLOSURE**

Gindalbie is committed to ensuring compliance with the continuous disclosure obligations under the ASX Listing Rules and the Corporations Act. The Board has implemented a Continuous Disclosure Policy. A copy is available on the Company's website ([www.gindalbie.com.au](http://www.gindalbie.com.au)).

The Chief Executive Officer and Company Secretary have responsibility to oversee compliance with the Policy.

The key elements of the Policy include:

- Overview of continuous disclosure obligations;
- Reporting to Chief Executive Officer and Company Secretary for factual assessment and release as ASX announcement; and
- Restrictions on Directors, senior managers and employees governing market sensitive information prior to release of ASX announcements.

## **SHAREHOLDER COMMUNICATION**

Gindalbie is committed to promoting effective communications with shareholders. The Board has implemented a Policy to Promote Effective Communication with Shareholders. A copy is available on the Company's website ([www.gindalbie.com.au](http://www.gindalbie.com.au)).

The key elements of the Policy include:

- Production of annual report, quarterly reports, and release of ASX announcements;
- Release of information on Company website – including announcements, policies and Charter documents;
- Release of shareholder communications by email;
- Question time encouraging participation by shareholders at the Annual General Meeting;
- Chief Executive Officer and Company Secretary provides central contact point within Gindalbie;
- Attendance of external auditor at Annual General Meeting; and

- Shareholder voting on key issues impacting Directors' remuneration and other matters.

## **RISK MANAGEMENT**

Gindalbie is committed to ensuring it has effective risk management systems in place. The Board ensures that management designs and operates a risk management and internal control system to manage the Company's material business risks. Management provides updates on those risks to confirm if those risks are being managed effectively. The Board review matters of significance. Based on management's reports during the financial year, the Board considers that the Company's material business risks are being properly managed.

The key elements of the risk management process include:

- Undertaking periodic risk assessments of material business risks;
- Developing reporting systems to the Board to provide assurance that key business risks are being managed effectively;
- Management provides Board with assurance as to integrity of financial reporting and Auditor performance;
- Chief Executive Officer and Chief Financial Officer provide the Board with assurance that their section 295A Corporations Act declaration is based on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks. This assurance has been provided for this reporting period;
- Risk management and reporting systems to oversee control of occupational, health and safety obligations, environment and sustainability risks;
- Regular assessment by the Board of material business risks and relevant controls on a formal risk register; and
- Reporting of the highest level material business risks and updates to risk controls by the Management and the Board.

## **REMUNERATION**

Gindalbie is committed to developing effective remuneration policies that are aligned to the Governance Principles.

An overview of the Company's strategy towards remuneration is set out on pages 12-15 of the Annual Report.

## **DIVERSITY POLICY**

Gindalbie understands the value inherent in a diverse workforce and promotes a high performance culture that draws on the diverse and relevant experience, skills, expertise, perspectives and the unique personal attributes of its Board members and employees.

Measurable Objective	Measurable Objective	Proportion of female employees	Progress towards target
Female employees in Gindalbie	20%	66% (2 of 3)	Exceed
Female employees in combined executive and senior management positions within Gindalbie	10%	50% (1 of 2)	Exceed
Female members on Boards of Gindalbie and KML	0%	0%	No target

Gindalbie has no barriers to diversity and supports equality of opportunity to all in employment, based on ability and merit irrespective of their gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class.

The Company sets out above its Board approved measurable objectives and targets in connection with gender diversity for the reporting period.

The Company has set targets that it considers reasonably achievable within the mining industry taking into account the higher proportion of male employees working in this segment of the market.

A copy of the Diversity Policy is available on the Company's website ([www.gindalbie.com.au](http://www.gindalbie.com.au)).

	Description	Complied	Note
<b>1</b>	<b>Lay solid Foundations for Management and Oversight</b>		
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions	Yes	
1.2	Disclose the process for evaluating the performance of senior executives	Yes	
<b>2</b>	<b>Structure of the Board to Add Value</b>		
2.1	A majority of the Board should be independent Directors	Yes	
2.2	The Chairperson should be an independent Director	Yes	
2.3	The roles of Chairperson and Chief Executive Officer should not be exercised by the same individual	Yes	
2.4	The Board should establish a Nomination Committee	No	1
2.5	Disclose the process for evaluating the performance of the board, committees and individual directors	Yes	
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.	Yes	
<b>3</b>	<b>Promote Ethical and Responsible Decision making</b>		
3.1	Establish a code of conduct and disclose the code or a summary of the code as to: <ul style="list-style-type: none"> <li>• The practices necessary to maintain confidence in the Company's integrity'</li> <li>• The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders</li> <li>• The responsibility and accountability of individuals for reporting investigating reports of unethical practices.</li> </ul>	Yes Yes Yes	
3.2	Establish a policy concerning diversity and disclose the policy or summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progressing achieving them.	Yes	
3.3	Disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	Yes	
3.4	Disclose in each annual report the portion of women in the whole organisation, women in senior executive positions and women on the board.	Yes	
<b>4</b>	<b>Safeguard Integrity in Financial Reporting</b>		
4.1	The Board should establish an Audit Committee	No	1
4.2	Structure of the Audit Committee so that it consists of: <ul style="list-style-type: none"> <li>• Only Non-executive Directors;</li> <li>• A majority of Independent Directors</li> <li>• An independent Chairperson, who is not chairperson of the Board; and</li> <li>• At least three members</li> </ul>	No	1
4.3	The Audit Committee should have a formal charter	No	1
<b>5</b>	<b>Make Timely and Balance Disclosure</b>		
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements to ensure accountability at a senior management level for that compliance and disclose those policies or a summary off those policies	Yes	
<b>6</b>	<b>Respect the Rights of Shareholders</b>		

6.1	Design a communications policy for prompting effective communication with shareholders and encourage their participation at general meetings and disclose their policy of a summary thereof.	Yes	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	
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.	Yes	
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.	Yes	
<b>7</b>	<b>Recognise and Manage Risk</b>		
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Yes	
7.2	Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has report to it as to the effectiveness of the company's management of its material business risks	Yes	
7.3	Board should disclose whether it has received assurance from the Chief Executive Officer and the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes	
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.	Yes	
<b>8</b>	<b>Remunerate Fairly and Responsibly</b>		
8.1	Board should establish a remuneration committee	No	1
8.2	The remuneration committee should be structured so that it: <ul style="list-style-type: none"> <li>• Consists of a majority of independent directors</li> <li>• Is chaired by an independent chair</li> <li>• Has at least three members</li> </ul>	No	1
8.3	Company should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives		

Note:

1. Gindalbie does not have a Remuneration or Nomination Committee of the Board of Directors nor does it have an Audit Committee. The full Board of Directors undertake the role of these individual committees. Given the composition of the Board and the size of the Company, it felt that individual committees are not warranted, however it is expected that as the Company's operations expand that each of these committees will be established. An update as to these matters is provided in the corporate governance statement.