

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

MetalsTech Limited

ABN / ARBN:

82 612 100 464

Financial year ended:

30 June 2018

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:
<https://www.metalstech.net>

The Corporate Governance Statement is accurate and up to date as at 28 September 2018 and has been approved by the board.

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

Date: 28 September 2018

Gino D'Anna (Company Secretary)

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.

Principle and Recommendations	Comply (Yes/No)	Explanation
PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
Recommendation 1.1 A listed entity should disclose: <ul style="list-style-type: none"> 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. 	Yes	<p>The Company has adopted a Board Charter.</p> <p>The Board Charter sets out matters including the specific roles and responsibilities of the Board and management requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, and the establishment, operation and management of Board Committees.</p> <p>The Company's Board Charter is available on the Company's website.</p>
Recommendation 1.2 A listed entity should: <ul style="list-style-type: none"> 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 relevant to a decision on whether or not to elect or re-elect a director. 	Yes	<ul style="list-style-type: none"> a. The Company undertakes checks on any person who is being considered as a director. These checks may include good fame and character, experience, education and financial history and background. The Company also has a Charter on Procedures for the Selection and Appointment of Directors. This Charter is available on the Company's website. b. All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Each senior executive and executive Director has a formal employment contract and the non-executive Directors have a letter of appointment.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

Principle and Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> a. have a diversity policy which includes requirements for 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; 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 in accordance with the entity's diversity policy and its progress towards achieving them, and either: <ul style="list-style-type: none"> A. 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 B. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. 	No	<p>The Company has not adopted a formal diversity policy. The Company respects and values the benefit of diversity throughout the Company in order to enrich the Company's perspective, improve corporate performance, increase Shareholder value and maximise the probability of achievement of the Company's goals. However, given the size and nature of the Company's operations, the Company has not implemented a formal policy with respect to diversity.</p>

Principle and Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 1.6</p> <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>	Yes	<p>The performance of the Board, is reviewed annually against appropriate measures in a manner that the Board deems appropriate. The review has regard to various matters including those set out in the Board Charter.</p>
<p>Recommendation 1.7</p> <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>	Yes	<p>a. At this stage given the size and nature of the Company's operations, the Board carries out the functions of Remuneration and Nomination Committees and is responsible for evaluating the performance of senior executives. Annual performance evaluations of the senior executives are conducted.</p> <p>b. As part of this role the Board is required to disclose whether or not performance evaluations were conducted during the relevant reporting period. During FY2018, performance evaluations of senior executives were not conducted.</p>

Principle and Recommendations	Comply (Yes/No)	Explanation
PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE		
Recommendation 2.1 The board of a listed entity should: <ul style="list-style-type: none"> a. have a nomination committee which: <ul style="list-style-type: none"> i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: <ul style="list-style-type: none"> iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b. if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively. 	<ul style="list-style-type: none"> a) No b) Yes 	<ul style="list-style-type: none"> a) Given the size and nature of the Company's operations, the Company does not have a separate Remuneration and Nomination Committee. These functions are carried out by the Board. The Remuneration and Nomination Committee's Charter is located on the Company's website. If a Remuneration and Nomination Committee is established, the Company will report on the meetings and attendance of the Committee. b) As part of the annual review of the performance of the Board, the appropriate size, composition, succession planning and terms and conditions of appointment to and retirement from the Board are considered. The Board also reviews the appropriate criteria for Board membership collectively to ensure it has the appropriate balance of skills, experience, knowledge and independence to enable it to discharge its duties and responsibilities.

Principle and Recommendations	Comply (Yes/No)	Explanation
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	The Board reviews capabilities, technical skills and personal attributes of its directors. It will normally review the Board's composition against those attributes and recommend any changes in Board composition that may be required. The Company will disclose the Board's skills in the annual report.
Recommendation 2.3 A listed entity should disclose: <ul style="list-style-type: none"> 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 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), 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. 	Yes	<ul style="list-style-type: none"> a. Disclosure of the names of Directors considered by the Board to be independent will be provided in the annual report. The current independent Director is Dr Quinton Hills. b. Details of the Directors' interests, positions, associations and relationships are provided in this annual report. c. The length of service of each Director will be provided in the annual report.
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	Yes	The Board Charter requires that where practical the majority of the Board will be independent. The Company currently has one independent Director: Dr Quinton Hills.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	The Chairman of the Board (Russell Moran) is not an independent Director. The Chairman is not the same person as the CEO. The Company is looking to appoint a suitable CEO in the near future.

Principle and Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	Yes	<p>All new directors are provided with an induction including comprehensive meetings with the Executive Chairman and senior executives, and provision of information on the Company including Company and Board policies. All Directors are expected to maintain the skills required to effectively discharge their obligations to the Company. Directors are encouraged to undertake continuing professional education and, if this involves industry seminars and approved education courses, where appropriate, this is paid for by the Company. The Board oversees the induction program for new directors and considers the training and development needs of all Directors. It is ensured that resources are allocated to developing and maintaining the directors' skills and knowledge, to ensure that the directors have and maintain the necessary skills and knowledge required to fulfil their role on the Board and any of its Committees effectively.</p>
PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY		
<p>Recommendation 3.1</p> <p>A listed entity should:</p> <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. 	Yes	<ul style="list-style-type: none"> a. The Company's Code of Conduct applies to the Company's directors, senior executives employees and contractors. The Company also has a Securities Trading Policy which directors and Key Management Personnel must adhere to. b. The Company's Code of Conduct and Securities Trading Policy are available on the Company's website.

Principle and Recommendations	Comply (Yes/No)	Explanation
PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING		
Recommendation 4.1 The board of a listed entity should: <ul style="list-style-type: none"> a. have an audit committee which: <ul style="list-style-type: none"> i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and ii. is chaired by an independent director, who is not the chair of the board, and disclose: <ul style="list-style-type: none"> iii. the charter of the committee; iv. the relevant qualifications and experience of the members of the committee; and v. in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b. if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner. 	a) No b) Yes	a) The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. The Audit and Risk Committee's Charter is available on the Company's website. If an Audit and Risk Committee is established, the Company will report on the meetings and attendance of the Audit and Risk Committee. b) The Board has processes in place to ensure that it that can independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner. If necessary, the Board appoints external independent professionals to provide the necessary independent verification.

Principle and Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 4.2</p> <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 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>	Yes	<p>Before the Board approves the entity's financial statements for a financial period, the CEO or Executive Director and CFO must have declared 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>Recommendation 4.3</p> <p>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>	Yes	<p>The Audit and Compliance Committee Charter provides that the Committee must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p> <p>The Company will ensure that the external auditor attends its AGM and is available to answer questions.</p>

Principle and Recommendations	Comply (Yes/No)	Explanation
PRINCIPLE 5: MAKE TIMELY AND BALANCE DISCLOSURE		
Recommendation 5.1 A listed entity should: <ul style="list-style-type: none"> 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. 	Yes	The Company has a Continuous Disclosure and Shareholders Communications Policy that outlines the processes followed by the Company to ensure compliance with its continuous disclosure obligations and the corporate governance standards applied by the Company in its market communications. The Continuous Disclosure and Shareholders Communications Policy are available on the Company's website.
PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its governance is available in the Corporate Governance Statement and associated policies which can be found on the Company's website.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	The Company has adopted a Shareholder Communications Policy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders. The Shareholder Communications Policy is available on the Company's website.
Recommendation 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	The Shareholders Communication Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of security holders. The Company permits shareholders to vote online (and by other methods) prior to an Annual General Meeting if they are unable to attend the meeting.
Recommendation 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	The Shareholders Communication Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of security holders including receiving communications electronically.

Principle and Recommendations	Comply (Yes/No)	Explanation
PRINCIPLE 7: RECOGNISE AND MANAGE RISK		
Recommendation 7.1 The board of a listed entity should: <ul style="list-style-type: none"> a. have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director, and disclose: <ul style="list-style-type: none"> iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b. if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework 	a) No b) Yes	a) The Company will not have a separate Audit and Risk Committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. The Audit and Risk Committee Charter is available on the Company's website. If an Audit and Risk Committee is established, the Company will report on the meetings and attendance of the Audit and Risk Committee. b) The Board oversees and conducts the Company's risk management framework. Risks are considered on a regular basis.
Recommendation 7.2 The board or a committee of the board should: <ul style="list-style-type: none"> a. review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and b. disclose in relation to each reporting period, whether such a review has taken place. 	Yes	The Board will, at least annually, undertake a structured consideration and review of the risk management framework and the material risks faced by, and the risk attitude of, the Company. The Company as part of its Board meetings considers risk issues. The Board will also be conducting a strategic review in the near future which will include consideration of the Company's material risks.

Principle and Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> 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. 	Yes	<ul style="list-style-type: none"> a) The internal audit function is currently overseen by the Board pursuant to Board performing the functions of an Audit and Risk Committee. b) The Company also has a Risk Management and Internal Compliance and Compliance Charter on its website which sets the Company's policies and which it adheres to.
<p>Recommendation 7.4</p> <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>	Yes	The Company is of the view that its operations do not create a material exposure to economic, environmental and social sustainability risks.

Principle and Recommendations	Comply (Yes/No)	Explanation
PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY		
Recommendation 8.1 The board of a listed entity should: <ul style="list-style-type: none"> a. have a remuneration committee which: <ul style="list-style-type: none"> i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director, and disclose: iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b. if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. 	a) No b) Yes	a) As noted above given the size and nature of the Company's operations, the Company does not have a separate Remuneration Committee. b) As part of the annual review of the performance of the Board, the appropriate size, composition and terms and conditions of appointment to and retirement from the Board are considered. The level of remuneration for non-executive directors is considered with regard to practices of other public companies and the aggregate amount of fees approved by shareholders. The Board also reviews the appropriate criteria for Board membership collectively. The Board shall establish formal processes to review its own performance and the performance of individual directors and the committees of the Board, annually.

Principle and Recommendations	Comply (Yes/No)	Explanation
<p>Recommendation 8.2</p> <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>	Yes	<p>The Company provides disclosure of all Directors and executives remuneration in its annual report.</p> <p>Non-executive directors are remunerated at a fixed fee for time, commitment and responsibilities. Incentive options may be issued. There are no documented agreements providing for termination or retirement benefits to non-executive directors.</p> <p>Executive directors and senior executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness. Performance incentives may include performance bonus payments, shares and/or options granted at the discretion of the Board and subject to obtaining the relevant approvals.</p>
<p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <ol style="list-style-type: none"> have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and disclose that policy or a summary of it. 	Yes	<p>The Company has a Performance Rights Plan in place which has previously been disclosed through the IPO Prospectus.</p>