



**Saracen**

**CORPORATE GOVERNANCE  
STATEMENT**

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**30 June 2019**

ACN 009 215 347

## Chair's Letter



Dear Shareholder,

At Saracen we believe in *'Thinking and Acting Like Owners'* to ensure long-term sustainable value creation for our shareholders. In achieving sustainable growth and value creation, Saracen is committed to conducting its business in an ethical, fair and transparent manner. Integral to the way we operate is good corporate governance.

Saracen's Core Values of Safety, Courage, Delivery, Communication and Attitude are aligned with, and support, good governance practices. In developing our operating framework, the Board considers the standards of corporate governance required to create sustainable value creation.

Saracen's corporate governance framework consists of - a culture of compliance, integrity, accountability and continuous improvement; policies and procedures that define the company's expectations; transparent communication with shareholders; stakeholder-focused delivery and strong risk management processes.

Under the ASX listing rules, companies are required to prepare a corporate governance statement to disclose the extent to which the company has complied with the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Recommendations). Saracen complies with all relevant third edition ASX Recommendations.

The ASX has introduced the fourth edition of the ASX Recommendations which are due to be reported against in FY2021. Saracen has elected to adopt and report against the fourth edition in this Statement demonstrating our ongoing commitment to good corporate governance practices and shareholder transparency.

This Corporate Governance Statement is current as at 6 September 2019 and has been approved by the Saracen Board.

Anthony (Tony) Kiernan  
Independent Non- Executive Chair



**Saracen Mineral Holdings Limited**  
**2019 Corporate Governance Statement**

PRINCIPLE	COMPLIANCE	COMMENT
<b>1. Lay solid foundations for management and oversight</b>		
<p>1.1 A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>✓</p> <p>✓</p>	<p>The Company has a formal Board Charter (a copy is located on the Company's website (<a href="http://www.saracen.com.au">www.saracen.com.au</a>)) which sets out those matters reserved for the Board and those delegated to management.</p> <p>The Board's functions include: developing and setting the Company's strategic direction in conjunction with management, overall review of performance against targets and objectives, reviewing management's performance, ensuring the Company has adequate systems and internal controls together with appropriate monitoring of compliance activities, approval and compliance with policies including health, safety and environment and reporting to shareholders on the direction and performance of the Company.</p> <p>The Board has also established various committees to assist in carrying out its duties. These Committees include the Audit Committee, Risk and Sustainability Committee, the Remuneration and Nomination Committee and the Exploration and Growth Committee.</p> <p>The Managing Director, supported by senior executives, is responsible for the day-to-day management of the Company's affairs and the implementation of strategy and policy initiatives.</p>
<p>1.2 A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election, as a director; and</p> <p>(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.</p>	<p>✓</p> <p>✓</p>	<p>Before the Company proposes to appoint a new Director, appropriate checks are undertaken which include, but are not limited to, reviewing the person's character, experience, education and work experience. Interviews with the potential candidates are conducted by existing Directors to make sure their experience, personality and ethics are an appropriate fit for the strategic direction of Company. Appropriate discussions with third parties who know the proposed Director may also be undertaken.</p> <p>Directors' biographical details, including their relevant qualifications, experience and the skills they bring to the Board are detailed on the Company website and in the Annual Report. Details of any other public company directorships held within the last 3 years are also provided in the Annual Report. Director's biographical details are also included in the notice of annual general meeting when a Director stands for re-election.</p>
<p>1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>✓</p>	<p>Written agreements are in place with each Director and Senior Executive setting out the terms of their appointment. Director remuneration details and key terms of the agreements with Senior Executives are included in the Remuneration Report within the Annual Report.</p>
<p>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.</p>	<p>✓</p>	<p>The Company Secretary, Mr Jeremy Ryan, is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. In this regard the Company Secretary has a direct line of communication with the Chair. Mr Ryan was appointed as Company Secretary on 5 December 2016.</p> <p>In addition, the Company Secretary has a reporting line to the Chief Financial Officer in relation to day to day operational matters.</p>
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p>	<p>✓</p>	<p>The Board has adopted a Diversity Policy which outlines the Company's commitment to ensuring that a diverse mix of skills and talent exists amongst its Directors, officers and employees. The Diversity Policy addresses equal opportunities in the hiring, training and career advancement of Directors, officers and employees. The Board proactively monitors the Company's performance in meeting the standards and guidance outlined in the Diversity Policy.</p>

PRINCIPLE	COMPLIANCE	COMMENT																									
<p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executive and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>A. the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>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.</p> <p>If the entity was in the S&amp;P / ASX 300 index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p>✓</p> <p>✓</p> <p>✘</p>	<p>A copy of the Diversity Policy is located on the Company's website. The Company does not discriminate based on gender, age, ethnicity, religion or cultural background. The Company ensures that all employees are provided with the same opportunities through open and honest communication, training and development opportunities and annual remuneration reviews.</p> <p>The Company has implemented the following measurable gender diversity objective - to increase diversity through aligning or exceeding the mining industry average for female participation in the workforce subject to availability and suitability of candidates. Progress towards achieving the above objective is measured quarterly per year through a report to the Board and Senior Management on gender diversity statistics.</p> <p>The following table shows the Company's progress in relation to its measurable objective on gender diversity in FY19:</p> <table border="1" data-bbox="981 584 2107 740"> <thead> <tr> <th></th> <th>Saracen end of Quarter %</th> <th>Mining Industry %</th> </tr> </thead> <tbody> <tr> <td>Q1</td> <td>17.45</td> <td>16.7</td> </tr> <tr> <td>Q2</td> <td>16.80</td> <td>16.7</td> </tr> <tr> <td>Q3</td> <td>15.66</td> <td>16.7</td> </tr> <tr> <td>Q4</td> <td>18.01</td> <td>16.7</td> </tr> </tbody> </table> <p>The Company's progress in relation to its measurable gender diversity objectives is also included in the Annual Report. The Group workforce gender profile as at 30 June 2019 is set out in the following table:</p> <table border="1" data-bbox="981 847 2107 1019"> <thead> <tr> <th></th> <th>Proportion of Women</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>1 out of 6 (17%)</td> </tr> <tr> <td>Senior Management *1</td> <td>10 out of 34 (29%)</td> </tr> <tr> <td>Other Professional Staff *2</td> <td>36 out of 139 (26%)</td> </tr> <tr> <td>Total Other Employees</td> <td>31 out of 259 (12%)</td> </tr> </tbody> </table> <p><sup>1</sup> Senior Management excludes the Managing Director who is included as part of the Board statistics. <sup>2</sup> Professional staff includes all degree qualified professional employees but excludes the Managing Director and Senior Management.</p> <p>The Company is compliant with the <i>Gender Equality Act 2012</i> (Cth) and a copy of the 2019 compliance report is available on the Company's website.</p> <p>Currently Saracen's Board consists of six members - 5 being male and one being female. As such the gender diversity composition is as follows: male 83% Female 17%.</p> <p>The Board composition is reviewed periodically and is guided by the Board and Remuneration and Nomination Committee Charters. Succession planning for Board appointments involves consideration of skill, experience, expertise and diversity.</p> <p>The skill set of the Board currently aligns with Saracen's strategy and goals. However, it is the intention of the Company to achieve the 30% gender Board target subject to availability of suitably qualified candidates.</p> <p>The Board skills matrix is appended as Annexed at A.</p>		Saracen end of Quarter %	Mining Industry %	Q1	17.45	16.7	Q2	16.80	16.7	Q3	15.66	16.7	Q4	18.01	16.7		Proportion of Women	Board	1 out of 6 (17%)	Senior Management *1	10 out of 34 (29%)	Other Professional Staff *2	36 out of 139 (26%)	Total Other Employees	31 out of 259 (12%)
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<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of the board, its committees and individual directors for each reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>✓</p> <p>✓</p>	<p>The Board regularly monitors its performance and the performance of individual Directors and Board Committees. This may occur through an internal review led by the Chair, or be performed with the assistance of external advisers as considered appropriate.</p> <p>During the year the Board internally discussed, reviewed and evaluated its performance with respect to their roles as Directors individually, as a Board and as Board Committees.</p> <p>Every three years an external party is engaged by the Company to facilitate a review of the Board and Directors individually. The next review by an external party is due to occur prior to the end of CY19. In future, the Company will move to conduct annual Board reviews.</p> <p>Prior to appointing any Director a review process is undertaken to ensure any new Director skill set aligns with the Company's strategic plan.</p> <p>On 13 September 2018 Anthony (Tony) Kiernan was appointed to the Board. Mr Kiernan is a former solicitor with extensive experience gained over 35 years' in the management and operation of listed public companies.</p> <p>On 1 May 2019 John Richards was appointed to the Board. Mr Richards is an economist with more than 35 years' experience in the resources industry and has significant growth / mergers and acquisition experience.</p> <p>Prior to the appointment of Mr Kiernan, and Mr Richards the Board reviewed its Committee structure and composition. Following this review, and the above appointments, the Board redistributed Directors responsibilities amongst the Committees.</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>✓</p> <p>✓</p>	<p>The Company has a process of conducting half yearly and annual performance reviews of all staff including Senior Executives. The performance of the Managing Director is evaluated by the Chair with input from the Board. The review is then discussed with the Board.</p> <p>The Managing Director reviews the performance of Senior Executives.</p> <p>All Senior Executives, including the Managing Director, participated in half yearly and yearly performance evaluation processes in relation to FY19.</p>
<p><b>2. Structure the Board to be Effective and Add Value</b></p>		
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3. the charter of the committee;</li> <li>4. the members of the committee; and</li> </ol>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p>The Board has constituted a Remuneration and Nomination Committee which currently comprises Ms Samantha Tough, Anthony (Tony) Kiernan and John Richards, all of whom are considered to be independent Non-Executive Directors.</p> <p>Ms Samantha Tough, an independent Non-Executive Director, is the Chair of the Committee.</p> <p>A copy of the Remuneration and Nomination Committee Charter is available on the Company's website.</p> <p>A total of three Remuneration and Nomination Committee meetings were held in FY19. Details of each member's attendance at meetings of the Remuneration and Nomination Committee is set out below:</p>

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	<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.</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>✓</p> <p>n/a</p>	<table border="1"> <thead> <tr> <th>Member</th> <th>Attended</th> <th>Meetings held whilst a member</th> </tr> </thead> <tbody> <tr> <td>Geoff Clifford (Chair 01/07/18 – 21/03/19)</td> <td>2</td> <td>2</td> </tr> <tr> <td>Samantha Tough (Chair 22/03/19 – 30/06/19)</td> <td>3</td> <td>3</td> </tr> <tr> <td>Dr Roric Smith</td> <td>1</td> <td>1</td> </tr> <tr> <td>Anthony (Tony) Kiernan</td> <td>2</td> <td>2</td> </tr> <tr> <td>John Richards</td> <td>1</td> <td>1</td> </tr> </tbody> </table> <p>*On 19 July 2018 Dr Roric Smith was reallocated to another Committee.</p> <p>*On 4 April 2019 Geoff Clifford ceased being a member of the Board and the Committee.</p> <p>*On 1 May 2019 John Richards was appointed to the Board and as a member of the Remuneration and Nomination Committee.</p> <p>*The Board re-allocated the composition of the Remuneration and Nomination Committee to the current membership as of 13 June 2019.</p>	Member	Attended	Meetings held whilst a member	Geoff Clifford (Chair 01/07/18 – 21/03/19)	2	2	Samantha Tough (Chair 22/03/19 – 30/06/19)	3	3	Dr Roric Smith	1	1	Anthony (Tony) Kiernan	2	2	John Richards	1	1
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2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	✓	<p>The Company seeks to structure its Board so as to add value through an appropriate composition with a balance of the different attributes, skills and experience relevant to the Company's operations and strategic direction. The effectiveness and efficiency of the Board is achieved through the Directors having skill in the following main areas, executive leadership, operational &amp; technical, finance &amp; legal, environment / sustainability / governance, mergers &amp; acquisitions, strategy, health &amp; safety, people &amp; culture, IT &amp; innovation and capital markets. The Board skills matrix is appended as Annexure A.</p> <p>Each Director has right to access all Company information and all staff including senior management. Directors have the right, in connection with the discharge of their duties and responsibilities, to seek independent professional advice at the Company's expense within guidelines provided in the Company's Board Charter.</p>																		
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, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, affiliation 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>✓</p> <p>✓</p> <p>✓</p>	<p>The following Directors are currently considered by the Board to be independent – Mr Martin Reed (7 years), Ms Samantha Tough (6 years), Dr Roric Smith (2 years), Mr Anthony (Tony) Kiernan (Chair-1 year), Mr John Richards (6 months), Mr Geoff Clifford (retired 04 April 2019 - 6 years of service).</p> <p>During the year Director's Fees of \$166,698 (2018: \$120,000) have been paid/are payable to PilotHole Pty Ltd, an entity controlled by Mr Martin Reed. The 2019 amount included an amount of \$46,698 for professional services rendered for technical due diligence services on a potential project acquisition. The Board considered that these services were in the best interest of the shareholders for this specific circumstance and considering the limited nature of the work required. In light of this, the Board considered that the services provided by Mr Reed were not material and would not interfere with independent judgment.</p> <p>Mr Raleigh Finlayson (6 years as MD) is not considered to be independent as he is an executive of the Company.</p>																		
2.4	A majority of the board of a listed entity should be independent directors.	✓	A majority of the Directors are independent. At the date of this report, five of the six Directors are considered to be independent. The only non-independent director is the Managing Director as he is an employee of the Company. Please refer to item 2.3 above in relation to Mr Reed.																		

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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.	✓	Mr Anthony (Tony) Kieman is the Chair of the Company and is an independent, Non-Executive Director.
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively	✓	<p>New Directors are provided with an induction on the Company's governance framework and operations following commencement by meeting with the Chair, Board and Senior Executives.</p> <p>As part of the induction each new Director is provided with access to the Company's Board portal which contains information on the Company, fellow Directors, copies of the Constitution, Board committee charters, Policies and associated material.</p> <p>Directors are encouraged to continue to expand their knowledge base and professional skills through attendance at suitable seminars and conferences. This includes undertaking finance related courses for directors whose background comes from disciplines outside of the accounting and finance field. To facilitate this an allowance has been included in the FY2020 budget for Directors professional development.</p> <p>Directors have the right, in connection with the discharge of their duties and responsibilities, to seek independent professional advice at the Company's expense within guidelines provided in the Company's Board Charter.</p> <p>In order to assist in maintaining Director's operational understanding of the Company Directors conduct one on one sessions with staff members including when Directors attend site for Board meetings. Directors then discuss feedback received from these meetings with the Board.</p>
<b>3. Act Lawfully, Ethically and Responsibly</b>			
3.1	A listed entity should articulate and disclose its core values.	✓	The Company's core values of 'Safety, Courage, Delivery, Communication and Attitude' are articulated and disclosed widely throughout the Company including on the Company's website and Annual Report.
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code by a director or senior executive; and</p> <p>(c) any other material breaches of that code that call into question the culture of the organisation.</p>	<p>✓</p> <p>✓</p>	<p>The Board's policy is that the Directors and management should conduct themselves with the highest ethical standards. All Directors and employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.</p> <p>The Board has adopted a Code of Conduct which sets out standards for appropriate ethical and professional behaviour that applies to all employees, including Directors and management, when dealing with each other, shareholders, customers and the broader community. The Board is informed of any material breaches of the Company's Code of Conduct.</p> <p>The Code of Conduct is available to all employees and the Board via the Company's website.</p>
3.3	<p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	<p>✓</p> <p>✓</p>	<p>The Company has a Whistleblower Policy which is provided to all employees at commencement and is available on the Company's website. The Company's Whistleblower Policy outlines the process for both internal and external reporting allowing the person to come forward using the mechanism they feel most comfortable. Saracen recently amended its Whistleblower Policy following changes to whistleblower laws.</p> <p>The Board is informed of any material matter raised which might affect the culture of the Company.</p>

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3.4 A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose an anti-bribery and corruption policy; and</li> <li>(b) ensure that the board is informed of any material breaches of that policy.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>	The Company has an Anti-Bribery and Corruption Policy a copy of which is on the Company's website. The Board is informed of any material breaches to the Anti-Bribery and Corruption Policy.																		
<b>4. Safeguard Integrity in Corporate Reporting</b>																				
4.1 The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have an audit committee which:               <ul style="list-style-type: none"> <li>1. has at least three members, all of whom are Non-Executive Directors and a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director, who is not the chair of the board,</li> </ul>               and disclose:               <ul style="list-style-type: none"> <li>3. the charter of the committee;</li> <li>4. the relevant qualifications and experience of the members of the committee; and</li> <li>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</li> </ul> </li> <li>(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.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> </ul>	The Board has constituted an Audit Committee which is currently comprised of Mr John Richards, Ms Samantha Tough and Mr Anthony (Tony) Kiernan and all of whom are independent Non-Executive Directors. Mr John Richards, an independent Non-Executive Director, is the Chair of the Committee. The Audit Committee Charter is located on the Company's website. The relevant qualifications and experience of the Committee members is included in the Directors' Report contained in the Annual Report. A total of two Audit Committee meetings were held in FY19. Details of each member's attendance at meetings of the Audit Committee is set out below: <table border="1" data-bbox="981 831 2145 1046" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #1a3d4d; color: white;"> <th>Member</th> <th>Attended</th> <th>Meetings held whilst a member</th> </tr> </thead> <tbody> <tr> <td>Samantha Tough (Chair 01/07/18 – 16/05/19)</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Martin Reed</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Geoff Clifford</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Anthony (Tony) Kiernan</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> </tr> <tr> <td>John Richards (Chair 16/05/19 – 30/06/19)</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>*On 22 August 2018 Martin Reed was reallocated to a different committee.</li> <li>*On 4 April 2019 Geoff Clifford ceased being a member of the Board and the Committee.</li> <li>*On 1 May 2019 John Richards was appointed to the Board and as Chair of the Audit Committee.</li> <li>*The Board re-allocated composition of the Audit Committee to the current membership as of 13 June 2019.</li> </ul>	Member	Attended	Meetings held whilst a member	Samantha Tough (Chair 01/07/18 – 16/05/19)	2	2	Martin Reed	1	1	Geoff Clifford	2	2	Anthony (Tony) Kiernan	1	1	John Richards (Chair 16/05/19 – 30/06/19)	0	0
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<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>✓</p>	<p>The Board receives a written declaration from the Managing Director and the Chief Financial Officer in accordance with section 295A of the Corporations Act. The declaration provides that, to the best of their knowledge and belief, the accounting systems and financial records are founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.</p>
<p>4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>✓</p>	<p>The Company ensures that the directors' and corporate reports it releases are accurate, balanced and understandable by using the 'integrated reporting principles' as a framework for preparing its public reports.</p> <p>The 'integrated reporting principles' assist the Company to:</p> <ul style="list-style-type: none"> <li>• provide insight into the Company's strategy, and how it relates to the Company's ability to create value in the short, medium and long term, and to its use of and effects on the capitals;</li> <li>• show a holistic picture of the Company's ability to create value over time;</li> <li>• provide insight into the nature and quality of the Company's relationships with its key stakeholders;</li> <li>• disclose information about matters that substantively affect the Company's ability to create value over the short, medium and long term;</li> <li>• be concise;</li> <li>• include all material matters, both positive and negative, in a balanced way and without material error; and</li> </ul> <p>be consistent over time and in a way that enables comparison with other organisations to the extent it is material to the Company's own ability to create value over time.</p>
<p><b>5. Make Timely and Balance Disclosure</b></p>		
<p>5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the Listing Rule 3.1.</p>	<p>✓</p>	<p>The Board has adopted and disclosed a Continuous Disclosure Policy which:</p> <ul style="list-style-type: none"> <li>• raises awareness of the Company's obligations under the continuous disclosure regime;</li> <li>• establishes a process to ensure that information about the Company, which may be market sensitive and which may require disclosure, is brought to the attention of the person(s) primarily responsible for ensuring that the Company complies with its continuous disclosure obligations in a timely manner and is kept confidential; and</li> <li>• sets out the obligations of Directors, officers, employees and contractors of the Company to ensure that the Company complies with its continuous disclosure obligations.</li> </ul> <p>A copy of the Continuous Disclosure Policy is located on the Company's website.</p>

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PRINCIPLE		COMPLIANCE	COMMENT
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	✓	In alignment with the Company's Continuous Disclosure Policy, copies of all material market announcements are provided to the Board after they have been made to ASX.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	✓	The Company uploads copies of presentation materials to the ASX Market Announcements Platform ahead of the relevant presentation. This procedure is detailed in the Company's Continuous Disclosure Policy which is available on the Company's website.
<b>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.	✓	<p>The Company provides information about itself and its governance to investors via its website. The Corporate Governance tab/menu provides access to all Committee Charters and other relevant Corporate Governance Policies and documents.</p> <p>The Company's website also includes copies of its annual reports, and financial statements, copies of its ASX announcements, copies of Notices of Meetings, presentations, as well as an overview of the Company's business activities separately in designated areas of the website.</p> <p>Information about the Company's corporate governance framework and approach is also included in its annual Sustainability Report.</p>
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	✓	<p>The Board aims to ensure that shareholders are provided with all of the information necessary to assess the performance of the Company. The Company follows the principles of Continuous Disclosure to ensure all investors are fully informed on the activities of the Company.</p> <p>The Managing Director is responsible for other investor relations activities with the assistance of the Corporate Development Officer, Chief Financial Officer and the Company Secretary.</p> <p>The Company maintains an investor relations calendar which lists seminars, events and shareholder briefings at which the Company will attend or present. The Company also conducts webcasts for investors following the release of material ASX announcements, including quarterly reports.</p> <p>The Board continues to act in accordance with the Company's Shareholder Communications Policy (located on the Company's website) which outlines the Company's commitment to ensuring transparent, timely and accurate communications to shareholders.</p>
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	✓	<p>The Board notifies all shareholders with a notice of general meeting so that they can be fully informed of all matters to be put to the meeting and encourages shareholders to vote and attend these shareholder meetings.</p> <p>The Company will be recording the 2019 Annual General Meeting which will be uploaded to the Company's website to further facilitate and encourage participation of its shareholders.</p>



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PRINCIPLE	COMPLIANCE	COMMENT
<p>7.2 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 that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>✓</p> <p>✓</p>	<p>The Company has, and continues to, undertake various organisation wide risk reviews to identify potential business risks which are then assessed and ranked using the Company's risk matrix. The organisational risks are ranked as high, medium, or low and controls are assigned according to the Board's risk appetite.</p> <p>The effectiveness of the assigned controls are reviewed on a regular basis and, where the residual risk is considered outside of the Company's acceptable limits, further controls and risk mitigation measures are developed and implemented.</p>
<p>7.3 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; <b>OR</b></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>n/a</p> <p>✓</p>	<p>The Company does not have a formal internal audit function. The Audit Committee and the Risk and Sustainability Committee monitor the risk factors of the Company in place of an internal audit function.</p> <p>The Company's Management periodically undertakes an internal review of financial systems and processes and where systems are considered to require improvement these systems are developed.</p> <p>The Company's external auditors also review the process and procedures related to the financial and accounting functions of the Company.</p>
<p>7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>✓</p>	<p>The Company has exposure to the following environmental and social material risks:</p> <p><b>Environmental:</b> The Company is subject to, and responsible for, ensuring compliance with various regulations, licenses, approvals and standards so that its activities do not cause unauthorised environmental harm. Environment risk is currently overseen by the Risk and Sustainability Committee. Through its ongoing management of environmental activities at its operating mines, the Company has been able to operate in an environmentally sustainable and responsible manner. All environmental activities are monitored and reviewed by the Risk and Sustainability Committee.</p> <p><b>Social:</b> The Company recognises that a failure to manage stakeholder expectations may lead to disruption to the Company's operations. As such the Company's Community Policy is designed to support the Company's objectives to make a positive difference to its stakeholders through building relationships based on trust, mutual respect and partnership. To assist in this regard the Company holds two Board meetings per year in regional locations associated with its operations to provide the opportunity for direct stakeholder engagement with Directors. The Company is proud to be involved in and supportive of community groups, organisations and charities in the region in which it operates. All social activities are monitored and reviewed by the Risk and Sustainability Committee.</p> <p>The Company has a Risk Management Policy which sets out the Company's risk management systems and processes. The Company's Risk Management Standard provides detail as to how the Company fulfils the expectations and requirements set out in the Risk Management Policy. The Company has, and continues to, undertake various organisation wide risk reviews to identify potential business risks which are then assessed and ranked using the Company's risk matrix. The effectiveness of the controls in place to address each risk is reviewed on a regular basis and, where the residual risk is considered outside of acceptable limits, further controls and risk mitigation measures are developed and implemented.</p>



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PRINCIPLE	COMPLIANCE	COMMENT
(b) disclose that policy or a summary of it	✓	in the Remuneration Report. A copy of the Company's Performance Rights Plan is available on the Company's website.
<p>8.4 A listed entity should only enter into an agreement for the provision of consultancy or similar services by a director or senior executive or by a related party of a director or senior executive:</p> <p>(a) if it has independent advice that:</p> <ul style="list-style-type: none"> <li>i. the services being provided are outside the ordinary scope of their duties as a director or senior executive (as applicable);</li> <li>ii. the agreement is on arm's length terms; and</li> <li>iii. the remuneration payable under it is reasonable; and</li> </ul> <p>(b) with full disclosure of the material terms to security holders.</p>	n/a	Going forward the Company will ensure that it obtains independent advice prior to engaging any Director to provide additional services under a consultancy agreement or similar. The Company will disclose to shareholders the material terms of any consultancy services provided by a director. No Senior Executive will be providing consultancy services or similar to the Company.
<b>9. Additional Recommendations that apply Only in certain Cases</b>		
9.1 A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	n/a	This recommendation does not apply to the Company.
9.2 A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	n/a	This recommendation does not apply to the Company.
9.3 A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	n/a	This recommendation does not apply to the Company.
<b>Additional Disclosures applicable to Externally managed Listed Entities</b>		
- Alternative to Recommendation 1.1 for externally managed listed entities: The responsible entity of an externally managed listed entity should disclose:	n/a	This recommendation does not apply to the Company.

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<b>PRINCIPLE</b>	<b>COMPLIANCE</b>	<b>COMMENT</b>
(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.		
- Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:  An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	n/a	This recommendation does not apply to the Company.

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**Annexure A – Board Skills Matrix**

Skill and Description	Board	Skill and Description	Board
Executive Leadership - Senior Executive Experience and able to evaluate executive performance		Strategy -Identifying and critically assessing strategic opportunities and threats to the organisation and, developing and implementing successful strategies in the context of an organisation's policies and business objectives.	
Operations and Technical - Advanced technical understanding of exploration, mine geology, mining engineering or processing		Health and Safety -Workplace health and safety experience, appropriate measures to support proactive identification and prevention of health and safety risks.	
Finance & Legal - Financial accounting and reporting, internal financial and risk controls and Treasury. Legal experience and proactive identification of legal and regulatory risk		People, Culture and Workplace Relations - Remuneration and talent management (including incentive programs), , the legislative and contractual framework governing remuneration & workplace relations	
Environment, Sustainability, Governance (ESG) - Experience in integrating ESG principles into decision-making and proactive identification and prevention of ESG risk.		IT and Innovation -Executive knowledge and experience in the management of information technology including but not limited to IT strategies , cyber security and experience in applying new technologies and innovation to deliver business improvement	
Mergers and Acquisitions - Experience in M&A, Implementation and Corporate Finance		Capital Markets -Experience in capital management strategies including debt financing and capital raisings	
Legend	Expert ●	Experienced ●	General ●

\* On 13 September 2018 Anthony (Tony) Kiernan was appointed to the Board. Mr Kiernan is a former solicitor with extensive experience gained over 35 years' in the management and operation of listed public companies.

\* On 4 April 2019 Geoff Clifford ceased being a member of the Board (almost 6 years of service).

\* On 1 May 2019 John Richards was appointed to the Board. Mr Richards is an economist with more than 35 years' experience in the resources industry and has significant growth / mergers and acquisition experience.