



**SANDFIRE**  
RESOURCES NL



2019  
CORPORATE  
GOVERNANCE  
STATEMENT

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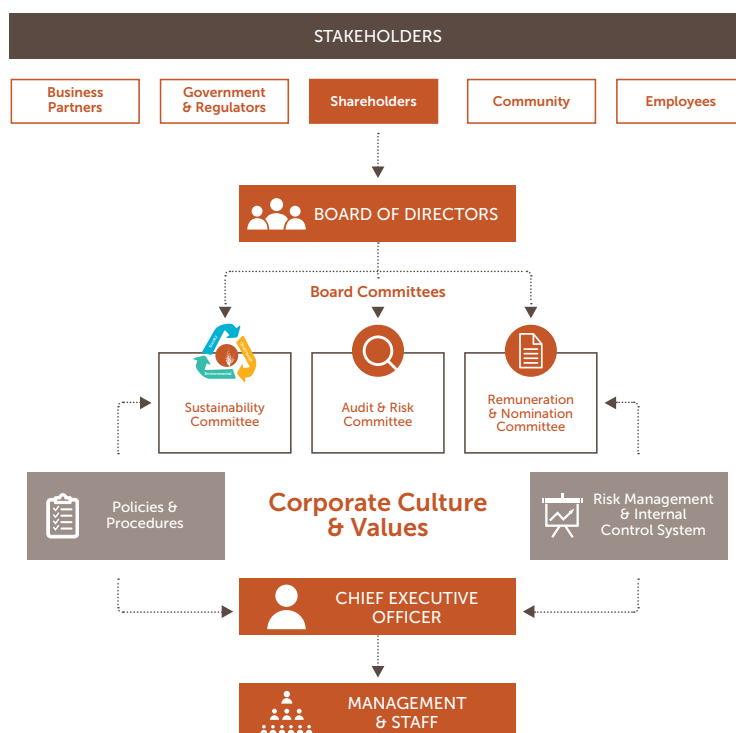
# 2019 CORPORATE GOVERNANCE STATEMENT

## Approach to corporate governance

The Board and management are fully committed to maintaining and enhancing corporate governance so that it continues to contribute to Sandfire's vision to build a sustainable, mid-tier mining company operating in the upper quartile of global performance benchmarks.

Whilst the Board is responsible for establishing the corporate governance framework of Sandfire Resources NL (**Sandfire** or **the Company**), we believe good governance is the collective responsibility of all our management and staff. We believe that excellence in governance is intrinsic to our social license to operate and essential for the long-term sustainability of our business. It is one of our key focus areas and measures of success.

Our governance framework, displayed below, supports our people to deliver our strategy and provides an integral role in effective and responsible decision making. The Code of Conduct and Sandfire's governance policies reinforce the importance of our values in carrying out our responsibilities to our shareholders, employees, business partners, government, regulators, other stakeholders, and the broader community.



The Company regularly reviews its governance arrangements and corporate governance policies to reflect the growth of the Company, current legislation and best practise.

This Corporate Governance Statement outlines the key features of Sandfire's governance framework by reference to the ASX Corporate Governance Council's 3rd Edition of its Corporate Governance Principles and Recommendations (ASX Recommendations). **Sandfire's Corporate Governance Statement is accurate and current as at 30 September 2019 and has been approved by the Board of Directors.** During the FY2019 reporting period, the Company's corporate governance practices have complied with all relevant ASX Recommendations.

The Corporate Governance Statement can be found on the Governance page on the Company's website at **[www.sandfire.com.au/site/about/governance](http://www.sandfire.com.au/site/about/governance)**, along with the ASX Appendix 4G, a checklist cross-referencing the ASX Recommendations to disclosures in the Corporate Governance Statement, the 2019 Annual Report and the Company website.

In accordance with the ASX Recommendations, the Company's policies and charters, referred to in this statement, are available on the Governance page on the Company's website at **[www.sandfire.com.au/site/about/governance](http://www.sandfire.com.au/site/about/governance)**.

# 2019 CORPORATE GOVERNANCE STATEMENT

## The role of the Board

The Board of Directors of Sandfire is responsible for establishing the corporate governance framework of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable. In performing its responsibilities, the Board acts in the best interests of the Company and its shareholders, honestly, fairly and diligently and in accordance with the duties and obligations imposed upon it by Sandfire's Constitution and the law.

The Board has adopted a written Charter to provide a framework for the effective operation of the Board which sets out:

- Board composition
- Board role and responsibilities
- Board process
- delegation of duties and powers
- review and performance evaluation.

Specialist committees focus on a particular responsibility area and provide informed feedback to the Board. The Board has established the following committees:

- Audit and Risk
- Remuneration and Nomination
- Sustainability.

The roles and responsibilities of these committees are discussed throughout this Corporate Governance Statement.

The Board's role is to:

- represent and serve the interests of shareholders by setting, overseeing and reviewing the entity's strategic plan, including overseeing the financial and human resources the entity has in place to meet its objectives, as well as reviewing management performance
- protect and optimise the entity's performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's constitution and with a framework of effective controls that enable risk to be assessed and managed
- set, review and ensure compliance with the entity's values and governance framework (including establishing and observing high ethical standards)
- ensure shareholders are kept informed of the entity's performance and major developments affecting its state of affairs.

Matters which are specifically reserved for the Board include:

- appointment of a Chair
- appointment and removal of the Managing Director and Chief Executive Officer
- appointment of Directors to fill a vacancy or as additional Directors
- appointment and removal of the Company Secretary
- establishment of Board committees, their membership and delegated authorities
- approval of dividends
- approval of major capital expenditure, significant indebtedness, acquisitions and divestments in excess of authority levels delegated to management
- calling of meetings of shareholders
- any other specific matters nominated by the Board from time to time.

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Under the Board Charter, the Board has delegated responsibility for execution of the strategic plan and the day-to-day management of the Company's business and affairs to the Managing Director and Chief Executive Officer (CEO). The CEO is assisted in this responsibility by the Group Management Team<sup>1</sup> (GMT). The GMT, led by the CEO, is responsible for the leadership, culture and management of the Company. The GMT performs its role in consultation with, and obtains guidance from, the Board and Board Committees.

Management is responsible for implementing the strategic objectives and operating within the risk appetite set by the Board and for all other aspects of the day-to-day running of the Company. It is also responsible for providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.

Internal control processes are in place to allow management to operate within the delegations approved by the Board, and the CEO cannot commit the Company to activities or obligations outside these delegated authorities without the specific approval of the Board. The Company also has in place a Board approved Company Authority Matrix, which is available and circulated throughout the Company and makes clear to every employee what is, or is not within the scope of their authority.

The Company Secretary is responsible for supporting the effectiveness of the Board and is directly accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Board is responsible for appointing and removing the Company Secretary and all Directors are able to communicate directly with the Company Secretary.

The duties and responsibilities of the Company Secretary include:

- supporting the effectiveness and proper functioning of the Board
- advising the Board on its committees and governance matters
- ensuring Board and committee policies and procedures are followed
- coordination of all Board and committee business, including the dispatch of agendas and board papers
- ensuring Board and committee meetings are captured accurately in the minutes
- organising and facilitating the induction and professional development of Directors.

<sup>1</sup>The Group Management Team (GMT) comprises the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Commercial Officer, Chief Exploration and Business Development Officer and General Manager Geology.

# 2019 CORPORATE GOVERNANCE STATEMENT

## Composition and skills of the Board

The Sandfire Board comprises six Directors – one Executive Director being the Managing Director and Chief Executive Officer (CEO), and five Non-Executive Directors (NEDs). The period of office held by, and the independence status of, each Director is set out below.

Name	Position	Date of appointment	Last elected or re-elected at an AGM	Independent
Derek La Ferla	Non-Executive Chairman	17 May 2010	29 Nov 2017	Yes
Karl Simich	Managing Director/CEO	27 Sep 2007 <sup>(a)</sup>	Not applicable	No
Robert Scott	Non-Executive Director	30 Jul 2010	29 Nov 2018	Yes
Paul Hallam	Non-Executive Director	21 May 2013	28 Nov 2016; standing for re-election at 2019 AGM	Yes
Maree Arnason	Non-Executive Director	18 Dec 2015	28 Nov 2016; standing for re-election at 2019 AGM	Yes
Roric Smith	Non-Executive Director	31 Dec 2016	29 Nov 2017	Yes

<sup>(a)</sup>Appointed Managing Director and CEO on 1 July 2019.

The Board meet as often as is necessary to fulfil their roles. Directors are required to allocate sufficient time to the Company to discharge their responsibilities effectively, including adequate time to prepare for Board meetings and joining visits to the Company's operational sites. Attendance at Board meetings during the 2019 financial year are summarised below.

Name	Number of meetings attended	Number of meetings held
Derek La Ferla	8	8
Karl Simich	8	8
Robert Scott	7	8
Paul Hallam	8	8
Maree Arnason	8	8
Roric Smith	8	8

The skills, experience and expertise of each Director, including current and former directorships and length of service are set out in more detail in the biographies in the Directors' Report (2019 Annual Report), as well as on the Directors page on the Company's website.

The Board actively seeks to ensure that, and currently considers, the Board and its committees have the right mix of background, skills, knowledge, personal attributes and experience necessary to guide and govern the Company effectively and in accordance with highest standards.

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The board skills matrix (BSM) set out below describes the combined skills, experience and expertise presently represented on the Board.

## Skills and experience

### Leadership, Strategy, People and Culture

- Non-executive Director and/or Senior Executive experience in a publicly listed company in Australia or overseas.
- Understanding, implementing and monitoring good organisational culture.
- Experience in developing and implementing strategic business plans.
- Experience in people management and human resources policy, including promoting diversity and inclusion and setting fit for purpose remuneration structures.

### Mining Resources

- Senior Executive role at a resources company, with experience on a range of exploration and mining projects from exploration through till the execution phases.

### Commodities

- Expertise at a Senior Executive level in various commodities including copper and gold both in Australia and overseas.
- End to end value or commodity chain experience, including commodity and currency markets, customers and competitors.

### Environmental and Social Responsibility

- Demonstrate an understanding of health and safety practices.
- Understanding of risks and opportunities regarding climate change.
- Former or current role with direct accountability for environment practices including energy, water management, emissions and land management.
- Skills in relation to local communities, Native Title claimant groups, government and regulators, industry associations and the investment community.

### Governance and Risk Management

- Experience in implementing and operating robust risk management frameworks.
- Experience with local government, laws and regulation, with a focus on public policy.
- Commitment to high standards and systems of governance and compliance.

### International Experience

- Global business experience at a Senior Executive level in various geographies, including North America and Asia.
- Exposure to multiple cultural, regulatory and business environments.

### Capital Management

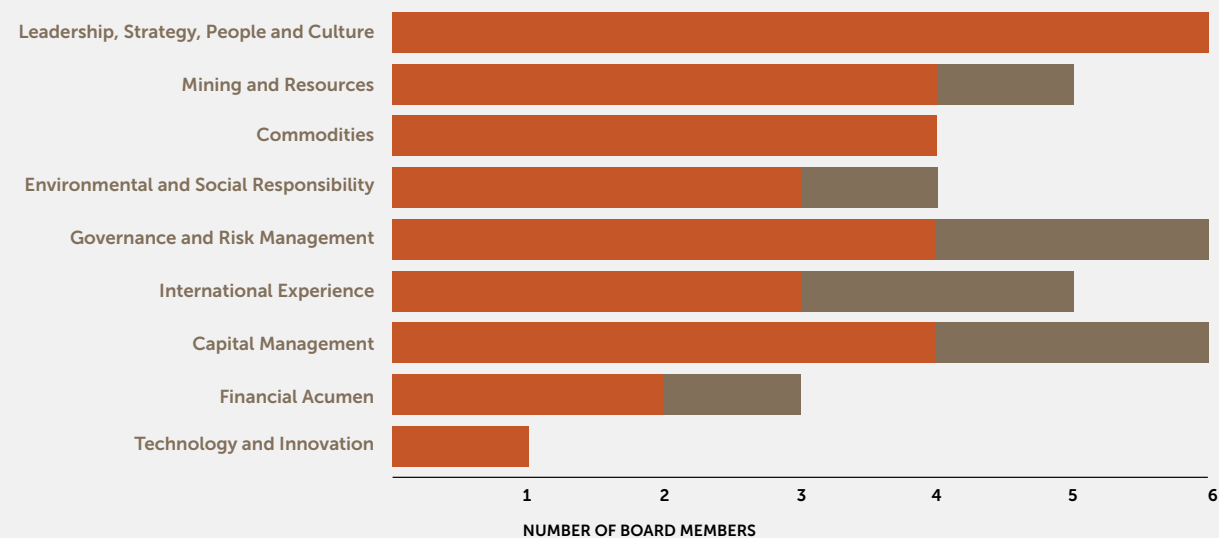
- Experience working on large scale capital outlays and long term investment horizons from planning to execution phases.
- Execution and involvement in various M&A or business development, equity and debt funding strategies, capital and debt raising.

### Financial Acumen

- Expertise in financial accounting and reporting, corporate finance, corporate taxation and internal financial controls.

### Technology and Innovation

- Knowledge and experience in use and governance of critical information technology.
- Knowledge and experience with innovation and digital disruption and understanding of cyber risk.



- Primary skillset:** a Director can demonstrate deep expertise and knowledge in the area, and has a track record of successfully delivering objectives as part of their Executive roles with full responsibility and oversight.
- Secondary skillset:** a Director can demonstrate knowledge and awareness in the area, and as part of their Non-Executive and/or Executive roles has experience delivering objectives with some level of responsibility and oversight.

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## Director independence

The Board consists of a majority of independent directors. Directors of Sandfire are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board, guided by the Board Charter, considers thresholds of materiality for the purposes of determining independence in accordance with the ASX Recommendations, having regard to both quantitative and qualitative factors. Specifically, the Board will consider whether there are any factors or considerations which may mean that the Director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the Director's ability to act in the best interests of the Company and its shareholders.

Each Director is required by the Company to declare that they satisfy the independence criteria set out in the Board Charter and to disclose any related interest or details of other interests in the Company. The Board is also guided by the Sandfire Code of Conduct, which provides a framework to assist in managing and disclosing any conflicts of interest that may arise.

The roles of Chair and Chief Executive Officer are not exercised by the same individual.

## Board Committees

The Board has established an Audit and Risk Committee, Remuneration and Nomination Committee and Sustainability Committee which operate under Charters approved by the Board. The functions of the committees are set out in their respective Charter, which are available on the Governance page on the Company's website at [www.sandfire.com.au/site/about/governance](http://www.sandfire.com.au/site/about/governance). Details of the current membership, number of meetings held and the number of meetings attended by each Director during the 2019 financial year are set out in the table below.

Committee	Members	Meetings of Committees	
		Number of meetings attended	Number of meetings held
<b>Audit and Risk Committee</b>	Robert Scott (Chair)	4	4
	Derek La Ferla	4	4
	Paul Hallam	4	4
	Maree Arnason	4	4
<b>Remuneration and Nomination Committee</b>	Paul Hallam (Chair)	5	5
	Derek La Ferla	5	5
	Robert Scott	5	5
<b>Sustainability Committee</b>	Maree Arnason (Chair)	6	6
	Derek La Ferla	6	6
	Roric Smith	6	6

All the members on the Audit and Risk Committee, Remuneration and Nomination Committee and Sustainability Committee are independent NEDs and each committee is chaired by a NED, who is not the Chair of the Board. Further there is a minimum of three members per Committee.

Each committee is entitled to the resources and information it requires to carry out its duties, including direct access to advisers and employees. Committee papers and minutes of committee meetings are circulated to Directors and all Directors are welcome to attend any meeting. Each committee reports its deliberations to the next Board meeting.

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## Director selection and succession planning

The Board regularly reviews its membership to ensure that it has the appropriate mix of diversity, skills and experience required to meet the needs of the Company. When a Board position becomes vacant or additional Directors are required, external professional advisors are engaged to assist with identifying potential candidates to ensure that a diverse range of candidates are considered.

Before the Company proposes to appoint a new Director, appropriate background checks are conducted which include checks such as the person's experience, education, criminal record and bankruptcy history.

Directors receive formal letters of engagement setting out the key terms, conditions and expectations of their engagement. This includes: disclosure of director interests; compliance with corporate policies; requirements when accepting a new role; indemnity and insurance arrangements; policy on seeking independent professional advice; access to corporate information; and confidentiality obligations.

In accordance with the Company's Constitution, no Director may hold office without re-election beyond the third Annual General Meeting (AGM) since the Director was last elected or re-elected. The Company's Constitution also requires that Directors, excluding the Managing Director, who have been appointed by the Board, must retire and stand for election at the next AGM following their appointment.

When candidates are submitted to shareholders for election or re-election, the Company includes in the Notice of AGM all material information relevant to a decision on whether or not to elect or re-elect a Director.

At the AGM held on 29 November 2018, Mr Robert Scott was re-elected as Director of the Company.

## Induction procedures and ongoing professional development

Sandfire has formal induction procedures for both Directors and senior executives. These induction procedures have been developed to enable new Directors and senior executives to gain an understanding of:

- Sandfire's financial position, strategies, operations and risk management practices
- the respective rights, duties and responsibilities and roles of the Board and senior executives.

Directors are given an induction briefing by the Company Secretary and an induction pack containing information about the Company and Group, Board and Committee Charters and the entity's policies. New Directors also meet with key senior executives to gain an insight into the Group's business operations.

Sandfire supports the continuing professional development of its Directors to ensure that Directors remain on the forefront of knowledge in Director related matters and to identify and remedy any identifiable weakness in any Director or the Board as a whole. All Directors are provided training in key accounting matters and on their responsibilities in relation to the entity's financial statements.

## Performance evaluation and remuneration

### Evaluation of Board performance, committees and individual Directors

The Board, with the assistance of the Remuneration and Nomination Committee, regularly monitors the performance of the Board, its committees and individual Directors throughout the year and conducts a review of their performance on an annual basis. This occurs through a process of internal review led by the Chairman and may include the assistance of external advisers as considered appropriate.

The 2019 financial year review was led by the Chairman by way of a questionnaire, followed up where applicable with one-on-one discussions. The outcomes of the review and initiatives to improve the operation and performance of the Board and its committees was discussed and considered by the Directors.

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## Evaluation of senior executives' performance

Senior executives have formal agreements containing detailed duties and responsibilities which are complimented by Key Performance Indicators (KPIs). The performance of the senior executives is reviewed regularly against both measurable and qualitative indicators.

The process for evaluating the performance of senior executives is carried out in accordance with the Company's Remuneration Framework. The Chairman conducts the performance evaluation of the CEO, including an assessment of the CEO's performance against specific and measurable financial and non-financial performance criteria. The evaluations of the other senior executives are conducted by the CEO, through a structured interview process. The results of the performance assessments are presented to the Remuneration and Nomination Committee.

The performance criteria against which the senior executives are assessed are aligned with the key measures of success of the Company. Further details of Sandfire's Remuneration Framework and assessment of the performance of the CEO and the executive management team during the 2019 financial year are set out in the Remuneration Report included in the Directors' Report (2019 Annual Report).

## Remuneration

The Remuneration and Nomination Committee operates under a Board approved Charter and provides recommendations and direction to the Board for the Company's remuneration practices.

### *Remuneration of executives*

The Sandfire Board is committed to delivering remuneration strategy outcomes that:

- align the interests of senior executives with shareholders and further our key business drivers
- attract, motivate and retain high performing senior executives
- reflect our business performance and sustainability.

For further details please see the Remuneration Report included in the Directors' Report (2019 Annual Report).

### *Remuneration of Non-Executive Directors (NEDs)*

Sandfire's NED remuneration policy is designed to attract and retain suitably skilled Directors who can discharge the roles and responsibilities required in terms of good governance, oversight, independence and objectivity.

The Company clearly distinguishes the structure of NEDs' remuneration from that of Executive Directors and senior executives. For further details please see the Remuneration Report included in the Directors' Report (2019 Annual Report).

Under the Company's Constitution and the ASX Listing Rules, the total annual fee pool for NEDs is determined by shareholders. The current maximum aggregate NED fee pool of \$750,000 per annum was approved by shareholders at the 2013 AGM. Within this aggregate amount, NED fees are reviewed annually by the Remuneration and Nomination Committee (Committee) and set by the Board.

## Risk framework

### Management of risks

The Board is committed to reviewing and overseeing the risk management strategy for Sandfire and for ensuring the Company has an appropriate corporate governance structure, in order to support the achievement of business objectives. The identification and effective management of risk, including measured risk-taking is viewed as an essential part of the Company's approach to creating long-term shareholder value.

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Sandfire's operating and financial performance is subject to a range of risks and uncertainties. The Company has adopted a risk management system to proactively and systematically identify, assess and address events that could potentially impact its business objectives and seeks to manage and mitigate these risks, where appropriate, to minimise adverse impacts. Sandfire's Risk Management Policy outlines the Company's approach to managing risks and is available on the Governance page of Sandfire's website.

Management through the CEO is responsible for the day to day design and implementation of the Company's risk management and internal control system.

The Company's risk framework is applied to all aspects of the Company's business and is used to identify, assess, evaluate, treat, monitor and communicate risks using a common methodology. Risks are ranked using both pre mitigating controls and post mitigating controls and the rankings reflect the different types of likelihoods and consequences that may arise from risks, including metrics for safety and health, environmental, legal and regulatory, governance, reputation, community and social, property damage and process loss and financial.

The risk management system, including the Company's risk profile and the effectiveness of the systems in place to manage risk, are continually reviewed, including for the 2019 financial year.

The Company has a comprehensive system of internal controls in place to ensure that risks are managed effectively to protect the Company's interests, this includes but is not limited to:

- implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of financial and non-financial KPIs
- delegations of authority formalised in a Board approved Company Authority Matrix that sets out authority levels for expenditure and commitments, including capital, for different levels of management within the Company
- regular and timely reporting on safety incidents and actions to improve safety performance
- appropriate due diligence procedures for investments.

Underpinning the efforts is a comprehensive set of policies and procedures directed towards achieving:

- an effective and efficient use of the Company's resources
- compliance with laws and regulations
- preparation of reliable published information.

Material risks are regularly reported to the Board and its committees. These reports include the status and effectiveness of control measures relating to each material risk. The Board, Audit and Risk Committee and the Sustainability Committee each receive reports on material risks relevant to their responsibilities and also receive updates throughout the year.

The Audit and Risk Committee reviews and reports to the Board that:

- the Company's ongoing risk management program effectively identifies all areas of potential risk
- adequate mitigation activities are designed and implemented to manage risks
- there are regular reviews on the process of the implementation of designed risk mitigation activities.

The Sustainability Committee assists the Board in monitoring the Company's environmental and social sustainability risks, and the processes and controls underlying the identification and monitoring of these risks.

The key business risks that could have an impact on the Company achieving its financial goals and business strategy are discussed in the Directors' Report (2019 Annual Report). The Company is exposed to numerous risks, most of which are common within the mining industry. Material exposure to environmental and social sustainability risk and how the Company manages those risks, are also disclosed in the 2019 Sustainability Report, which is available on the Company's website [www.sandfire.com.au](http://www.sandfire.com.au).

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## Internal audit function

Sandfire has an internal audit function that assists the Board by undertaking an objective evaluation of the Company's internal control framework, focusing on Sandfire's key risks. The Audit and Risk Committee is responsible for overseeing the internal audit work plan with the assistance of the head of the internal audit function and external advisers, as considered appropriate. Where external advice is sought, the adviser may be invited to meetings to present internal audit findings as appropriate and has the opportunity to meet privately with the Audit and Risk Committee and its members.

The Board agrees that due to its nature, internal control assurance can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence available is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in control procedures.

## External auditor

Under the Audit and Risk Committee Charter it is the policy of Sandfire that its external auditing firm must be independent of the Company. The Audit and Risk Committee reviews and assesses the independence of the external auditor on an annual basis. The Charter contains an External Audit Policy, which provides information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners, presently every 5 years, unless otherwise approved by the Audit and Risk Committee and the Board of Sandfire.

The Company's external auditor will attend the 2019 AGM and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report disclosed in the Financial Report (2019 Annual Report). The external auditor will also be allowed a reasonable opportunity to answer written questions submitted by shareholders to the auditor as permitted under the Corporations Act 2001.

## CEO and CFO certification

In accordance with section 295A of the Corporations Act 2001, the CEO and CFO have provided written statements to the Board in respect of each half and full year financial period that, in their opinion, the financial records of the Company have been properly maintained in accordance with the Act; the financial statements and the notes for the period comply with accounting standards and give a true and fair view of the financial position and performance of the entity and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

## Governance policies

The Group has developed a number of codes and policies to help Directors and employees understand what is expected of them. Below is a summary of Sandfire's core codes and policies which apply to Directors and employees. Each of the policies listed below are available on the Governance page on Sandfire's website.

### Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has established a Code of Conduct which applies to directors, employees and contractors of Sandfire.

The Code of Conduct is based on Sandfire's values which guide all who work with Sandfire.

The key principles underpinning the Code of Conduct are:

- our actions must be governed by the highest standards of integrity and fairness
- our decisions must be made in accordance with the spirit and letter of applicable law
- our business must be conducted honestly and ethically, with our best skills and judgement, and for the benefit of our people, shareholders, stakeholders, customers and Sandfire alike.

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The objective of the Code of Conduct is to:

- provide guidance to all who work with Sandfire on what constitutes acceptable behaviour
- support Sandfire's business reputation and corporate image within the community
- make employees aware of the consequences if they breach the Code of Conduct.

### Whistleblower Protection Policy

The Board has endorsed a Whistleblower Protection Policy. A whistleblower is someone who discloses reportable conduct to people that have the power to take corrective action. Sandfire recognises that a genuine commitment to detecting and preventing illegal and other undesirable conduct must include a mechanism whereby personnel can report their concerns freely and be protected from reprisals. To assist, the Company has setup an independent ethics helpline, which can be used to report breaches or to seek assistance if people do not feel comfortable using internal channels.

### Securities Trading Policy

The Board has endorsed a Securities Trading Policy, which:

- explains the types of conduct in dealing in securities that are prohibited under the Corporations Act 2001
- establishes a best practice procedure for the dealing in securities that protects the Company, Directors and personnel against misuse of unpublished information which could materially affect the value of securities.

The rules set out in this policy are designed to assist in preventing breaches of the insider trading provisions of the Corporations Act 2001 and to enable the Company to satisfy the disclosure requirements of the ASX Listing Rules. The policy also establishes "blackout periods" during which Directors, senior executives, employees, contractors and their closely related parties must not trade in the Company's securities. It also prevents Directors and senior executives from entering into any hedging arrangements over unvested securities issued pursuant to an equity based remuneration scheme.

### Disclosure Policy

The Board has endorsed a Disclosure Policy, which sets out processes that assist the Company to ensure that all investors have equal and timely access to material information about the Company and that Company announcements are factual and presented in a clear and balanced way.

The Disclosure Policy also sets out the procedures for identifying and disclosing material and market-sensitive information in accordance with the Corporations Act 2001 and the ASX Listing Rules.

### Diversity and Inclusion Policy

Sandfire is committed to nurturing a culture of diversity and inclusion, where differences are valued, and everyone is welcomed and treated with respect. Sandfire believes that the diverse backgrounds and experiences of our employees positively contributes to our organisational culture and that striving for diversity will:

- attract the best people and broaden the pool of high quality employees
- support employee retention
- encourage greater innovation, enhanced work practices, productivity and profitability
- is socially and economically responsible good practice.

Sandfire's commitment to progress diversity across the organisation can be evidenced through:

- setting measurable objectives for achieving improvement in the diversity of the workforce, in particular gender diversity, and assessing, at least annually, progress towards achieving the diversity objectives
- creating an environment where everyone feels respected and valued to perform their best
- sanctioning Sandfire's Diversity Committee, chaired by the CEO, to lead the diversity and inclusion strategy, and implement and monitor initiatives against objectives
- reporting progress on diversity objectives and diversity metrics to stakeholders
- recruitment that is based on alignment to Sandfire's values, merit, skills and qualifications

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- developing appropriate leadership, talent management, training and mentoring programs
- supporting our people to balance their commitments outside of work and to promote work flexibility consistent with business success.

Sandfire offers equal remuneration for all our employees, reflective of the type of job, years of experience and the period for which employees have held their position. We conduct annual, independent reviews of employee earnings by gender and level to provide assurance that our employees' remuneration remains equitable and in line with market trends.

Sandfire's Diversity Committee, led by the CEO, is responsible for ensuring that diversity is integrated into business and workforce planning. In performing its role, the Diversity Committee obtains guidance from the Sustainability Committee.

### *Measurable Objectives for achieving gender diversity*

The table below sets out the measurable objectives for the 2019 financial year and provides details on the progress of the Company toward achieving them.

	Objective	Measure	Results
1	Improve current female Board representation when it is appropriate to expand and revise the structure of the Board.	Improve on 17%.	Unchanged from FY2018. Female representation on the Board as at 30 June 2019 was 17%.
2	Review female representation at all levels across the business and implement Diversity Committee action plans for each area.	Actions plans in place.	Partially achieved. All levels have been reviewed with action plans in place for the priority areas, namely senior executives and management.
3	Improve current female representation.	Improve on 22%.	Target achieved. Female representation as at 30 June 2019 was 23%.
4	Benchmark and track Sandfire's gender diversity against its peers.	Conduct benchmarking activity.	Achieved. Comparative group defined, peers benchmarked and will continue to be tracked against set criteria.

The table below sets out the measurable objectives for the 2020 financial year.

	Objective	Measure
1	Improve current female Board representation.	At least 30% of Directors on the Board are female by 30 June 2021.
2	Improve current female representation at the senior executive position level.	Improve current female representation at the senior executive level by 30 June 2021.
3	Continue to support female representation in management positions by maintaining and where possible, improve, female representation at a level 20% above the mining industry average.	Number of female managers is at least 20% more than mining industry average <sup>2</sup> for female management representation.
4	Continue to support overall female representation by maintaining and where possible, improve female representation at a level 20% above the mining industry average.	Number of females within the workforce is at least 20% more than mining industry average <sup>3</sup> for overall female representation.

<sup>2</sup>WGEA Mining Division; Workforce Composition – All Managers 2019 (2018: 17.2%).

<sup>3</sup>WGEA Mining Division; Workforce Composition – All 2019 (2018: 16.7%).

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## Gender representation

The proportion of women employed by the Company as at 30 June 2019 and 30 June 2018 is listed below.

Level	2019	2018
Board	17%	17%
Senior executive <sup>4</sup>	Nil	Nil
Management	23%	21%
Non-management	23%	22%
<b>All employees</b>	<b>23%</b>	<b>22%</b>

The Company's website contains Sandfire's Public Report submitted to the Workplace Gender Equality Agency for 2018-19, which details amongst other items, the proportion of females employed by manager occupational categories and non-manager occupational categories.

Additional information on gender diversity can be found in Sandfire's 2019 Sustainability Report, which is available on the Company's website.

## Shareholder Communication

The Board has endorsed a Shareholder Communication Policy. The Company aims to ensure that shareholders are kept informed of all major developments affecting the state of affairs of the Company. Additionally, the Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. To achieve this, the Company communicates information regularly to shareholders and other stakeholders through a range of forums and publications.

Forums or measures for communicating important aspects of the Company's affairs include: Notice of Annual General Meeting (AGM); Annual Report; Sustainability Report; announcements lodged with the ASX; presentations and meeting with key stakeholders; and teleconferences and webcasts of key presentations which provides an opportunity for investors and other financial market participants to express their views to Sandfire on matters of concern of interest to them.

The Company provides a telephone facility (+61 (8) 6430 3800) and a website inquiry service to assist shareholders with any queries. Information is also communicated to shareholders via periodic mail outs, or by email to shareholders who have provided their e-mail address.

Sandfire encourages shareholder participation at its AGM through its use of electronic communication, including by making notices of meetings available on its website and also providing a direct voting facility to allow security holders to vote ahead of the meeting without having to attend or appoint a proxy. Shareholders who are not able to attend the AGM have the opportunity to provide questions or comments ahead of the meeting. Where appropriate, these questions are answered at the meeting.

## Website

One of the Company's key communication tools is its website located at **[www.sandfire.com.au](http://www.sandfire.com.au)**. The website includes details about the Company's vision; names, photographs and brief biographical information for each of its Directors and senior executives; the Company's history; an overview of Sandfire's operations; growth and business development; corporate governance practices; sustainability practices; and investor information. The website also contains a facility for shareholders to direct inquiries to the Company.

<sup>4</sup>Refers to the layer of senior executives reporting directly to the CEO: the Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Commercial Officer, Chief Exploration and Business Development Officer and General Manager Geology.

## **SANDFIRE RESOURCES NL**

Level 2, 10 Kings Park Road, West Perth WA 6005

T: +61 8 6430 3800 F: +61 8 6430 3849 E: [admin@sandfire.com.au](mailto:admin@sandfire.com.au)

[www.sandfire.com.au](http://www.sandfire.com.au)

Rules 4.7.3 and 4.10.3<sup>1</sup>

## Appendix 4G

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Sandfire Resources NL

ABN / ARBN:

55 105 154 185

Financial year ended:

30 June 2019

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

- ☐ These pages of our financial report:
- ☒ This URL on our website:  
[www.sandfire.com.au/site/about/governance](http://www.sandfire.com.au/site/about/governance)

The Corporate Governance Statement is accurate and up to date as at 30 September 2019 and has been approved by the Board.

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

Date: 1 October 2019

Name of Director or Secretary authorising lodgement: Mr Matthew Fitzgerald

<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 <u>OR</u> <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"/> in the Board Charter on the Governance page of the Company's website <a href="http://www.sandfire.com.au/site/about/governance">http://www.sandfire.com.au/site/about/governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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"/> on the Governance page of the Company's website <a href="http://www.sandfire.com.au/site/about/governance">http://www.sandfire.com.au/site/about/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 <u>OR</u></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 <u>OR</u></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 <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 <u>OR</u></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 <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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 <u>OR</u></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 <u>OR</u></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 <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

**Appendix 4G**

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

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 checked="" type="checkbox"/> on the Governance page of the Company's website <a href="http://www.sandfire.com.au/site/about/governance">http://www.sandfire.com.au/site/about/governance</a></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 checked="" type="checkbox"/> in the Directors' Report in our Annual Report for the year ended 30 June 2019 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a></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 <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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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 <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> in the Directors' Report in our Annual Report for the year ended 30 June 2019 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a>	<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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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 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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

**Appendix 4G**

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

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 checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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"/> on the Governance page of the Company's website  <a href="http://www.sandfire.com.au/site/about/governance">http://www.sandfire.com.au/site/about/governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> in the Directors' Report in our Annual Report for the year ended 30 June 2019 that can be found at:  <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a></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 <u>OR</u></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>
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 <u>OR</u></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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our continuous disclosure compliance policy or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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>
<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.	<p>... information about us and our governance on our website:</p> <p><input checked="" type="checkbox"/> on the Governance page of the Company's website <a href="http://www.sandfire.com.au/site/about/governance">http://www.sandfire.com.au/site/about/governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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>
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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 <u>OR</u></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"/> on the Governance page of the Company's website  <a href="http://www.sandfire.com.au/site/about/governance">http://www.sandfire.com.au/site/about/governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> in the Directors' Report in our Annual Report for the year ended 30 June 2019 that can be found at:  <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a></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 <u>OR</u></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>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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>
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... 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: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and that such a review has taken place in the reporting period covered by this Appendix 4G: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> [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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> in the Directors' Report in our Annual Report for the year ended 30 June 2019 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

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<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 checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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"/> on the Governance page of the Company's website <a href="http://www.sandfire.com.au/site/about/governance">http://www.sandfire.com.au/site/about/governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> in the Directors' Report in our Annual Report for the year ended 30 June 2019 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a></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 <u>OR</u></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 <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	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>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>AND</u></p> <p>in the Remuneration Report in our Annual Report for the year ended 30 June 2019 that can be found at: <a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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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 <u>AND</u></p> <p>in the Remuneration Report in our Annual Report for the year ended 30 June 2019 that can be found at:</p> <p><a href="http://www.sandfire.com.au/site/investor/reports/annual-reports">http://www.sandfire.com.au/site/investor/reports/annual-reports</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>