

24 October 2019

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Corporate Governance Statement

Attached the 2019 Corporate Governance Statement for Hampton Hill Mining NL.

Peter Rutledge
Company Secretary

CORPORATE GOVERNANCE STATEMENT

CURRENT AS AT 30 JUNE 2019

The board of directors (the Board) of Hampton Hill Mining NL (Hampton Hill or the Company) is responsible for monitoring the business affairs of the Company and protecting the rights and interests of all shareholders. High standards of corporate governance are essential to give effect to its responsibilities. The Company's corporate governance arrangements are set and reviewed by the Board having regard to any changing circumstances of the Company, statutory and regulatory requirements and the best interests of all shareholders. They are designed to comply as far as possible with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3rd Edition (the Principles and Recommendations).

This statement outlines, in terms of the eight central Principles, the extent to which the Company has followed the Recommendations for the financial year ended 30 June 2019. Any documents referenced in this statement as being available on the Company's website can be found on www.hamptonhill.com.au.

1 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

1.1 Roles and responsibilities of the Board and management and those roles reserved for the Board and those delegated to management

The Board's key objective is the increase of shareholder value by successful exploration for and/or production of minerals. The Board focuses the Company's activities on pursuing exploration opportunities in the mineral resource business which are judged to have the potential for success without exposing the Company to undue risk. Hampton Hill's predominant current interests are its exploration joint venture interest in the Millennium Zinc Project, a 4.3% investment stake in listed exploration company, Peel Mining Limited, and a 5% gross overriding royalty on all gold mined in excess of 1 million ounces from the Apollo Hill central leases held by Saturn Metals Limited. The Company also has a relatively minor shareholding in Saturn Metals Limited.

The Board is accountable to shareholders for the performance of the Company, and its responsibilities include:

- (a) approval of corporate strategy including annual approval of budgets and monitoring performance against budget;
- (b) determining the capital structure of the Company;
- (c) appointing and determining the duration, remuneration and other terms of appointment of senior executive personnel;
- (d) evaluating the performance of any senior executive personnel;
- (e) overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- (f) approving the risk management strategy and frameworks and monitoring their effectiveness;
- (g) determining and monitoring the Company's corporate governance systems and practices;
- (h) approval of investments, corporate acquisitions, new joint ventures; and
- (i) appointment of the external auditors and principal advisors to the Company.

Due to the concentration of corporate aim and the small size of the Board all governance issues are considered by the full Board.

Senior executives

Executive Chairman: the Chairman is the chief executive officer of the Company.

There are no other senior executive personnel.

1.2 Appropriate checks to be carried out on prospective directors

The Board oversees the selection, appointment and induction of new directors. An important part of this process is assessing potential candidates for the Board and includes undertaking appropriate checks before appointing a person as a director of the Company or putting forward to shareholders a new candidate for election as a director. The assessment of potential candidates includes their relevant qualifications, skills and experience, their character, details of other board commitments, potential conflicts of interest and whether they qualify as being independent.

The Board provides shareholders with biographical details and other relevant information as to the qualifications, experience and skills of a candidate standing for election or re-election as a director to enable the shareholders to make an informed decision as to whether or not to elect or re-elect the candidate.

1.3 Written agreements with directors and senior executives

A written agreement, in the form of a letter of appointment, is provided to new directors, setting out the term of their appointment, their remuneration, the time that it is envisaged they will need to commit to perform their duties, the requirement for them to disclose interests and matters that may affect their independence, the requirement for them to comply with key corporate policies including the Company's policy on trading its shares, and the requirement to adhere to ongoing confidentiality obligations. The letter of appointment also sets out indemnity and insurance arrangements, ongoing rights of access to corporate information and the circumstances in which directors may seek independent professional advice at the Company's expense.

Written contracts of engagement are entered into when engaging senior executives setting out their position, duties and responsibilities, termination circumstances and entitlements.

1.4 Company Secretary accountable to the Board

The Company Secretary is accountable to the Board and reports directly to the Chairman. The decision to appoint or remove the Company Secretary is made by the Board.

Each director may communicate directly with the Company Secretary and vice versa.

The duties and responsibilities of the Company Secretary include coordinating Board meetings and the timely circulation of Board papers, minuting board meetings and resolutions, regularly communicating with Board members on matters relating to Board procedures and compliance with ASX Listing Rules and advising the Board on governance matters.

1.5 Board diversity

The Company believes that fair and equal access to employment opportunities should be afforded to all eligible employees, regardless of gender, age, nationality, race, religion or sexuality, and that a diverse workforce will provide the broadest and most effective talent pool. All appointments are nevertheless made on the basis of merit.

Due to the fact that the Company has no permanent employees, the Company does not have a formalised diversity policy in place, but the Board is cognisant of the benefits of diversity and will embrace the adoption of such a policy as and when the Company's increase in size allows.

Measurable objectives for achieving gender diversity

The Company will establish measurable objectives for achieving gender diversity as and when its workforce reaches a size that justifies such a policy.

Employee proportions

As at 30 June 2019 the Company had no full time employees. There were no new personnel appointments during the year to either the executive or the Board of three directors, all of whom are male persons.

1.6 Evaluation of Board performance

Due to the size and composition of the Board, the Company does not have a formal process for the performance evaluation of the Board or individual directors.

Accordingly, no formal performance evaluation for the Board or its members took place during the reporting period.

Directors are encouraged to attend director training and professional development courses, as required, at the Company's expense. New directors have access to all employees to gain full background on the Company's operations.

1.7 Evaluation of the performance of senior executives

The Board is responsible for setting the performance objectives of senior executives' and for evaluating their performance against these objectives.

The Executive Chairman's performance is evaluated by the rest of the board annually. The Executive Chairman has continued to elect, with the Board's consent, to receive no additional remuneration to that of the non-executive board members.

The Company Secretary's performance and remuneration are evaluated on an annual basis.

2 STRUCTURE THE BOARD TO ADD VALUE

2.1 Nomination committee

Due to the size of the Company and the composition of the Board, a nomination committee has not been established. The Board does not consider that the Company's affairs are of such a size and complexity as to merit the establishment of a separate nomination committee. Until this situation changes, the Board will carry out the functions of a nomination committee.

The Board considers that it is in the best interests of the Company to determine the criteria for the selection of new directors based on any perceived deficiencies in the skill set of the Board as and when a casual vacancy arises. The Board remains constantly aware of the requirement to balance the Company's need to retain the overall spread of knowledge, experience and skills that the current Board provides with any opportunity or need that may arise to enhance the overall capabilities of the Board either through the replacement of an existing director or the appointment of an additional director.

Retirement and rotation of directors is governed by the Corporations Act and the constitution of the Company. Each year, one-third of the directors must retire and offer themselves for re-election. Any casual vacancy filled between general meetings will be subject to a shareholder vote at the next Annual General Meeting of the Company.

Re-appointment of directors is not automatic. Shareholders are provided with relevant information on each of the candidates for election or, where applicable, re-election.

2.2 Board skills matrix

The principal skills identified as important for the board of the Company are set out below identifying the number of directors (on the three-man board) providing those skills:

Skills	No of Directors
Strategic leadership	3
Business acumen / financial	2
Industry experience	3
Communication	2
Governance	2
Legal	1

Despite the small size of the Company and of the Board, the skill cover of the existing Board members is considered to be comprehensive.

Directors receive regular financial and operational reports from management and the Executive Chairman, and the other directors regularly consult with the Executive Chairman and the Company Secretary.

Each director has the right to access all relevant company information and to communicate with any of the Company's personnel.

The Board collectively, and each director individually, has the right to seek independent professional advice from a suitably qualified adviser, at the Company's expense, to assist with the discharge of their duties. Whilst the Chairman's prior approval is required, it will not be unreasonably withheld.

2.3 Independent directors

During the year, the Board consisted of three directors, one of whom is considered independent in terms of the Factors relevant to assessing the independence of a director set out in Recommendation 2.3 of the Principles (Factors). Two of the directors, Mr N Tomkinson and Mr JN Pitt, are not independent within the strict meaning of the Factors because they are associated with a substantial shareholder in the Company, as defined in the Corporations Act, and the Chairman is an executive of the Company. The third director, Mr W Forte, who was formerly an executive of the Company, has not held an executive position during the past three years and consequently is considered to be independent.

Mr Forte has served as a director since the inception of the Company on 30 August 1993.

2.4 Majority of the board should be independent directors

As set out under Recommendation 2.3, the majority of the directors do not qualify as being independent in terms of the Factors.

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

2.5 Chairman's independence and the roles of chairman and chief executive officer

The Chairman is the chief executive officer of the Company, which means that he cannot be considered to be independent. Consequently the Company does not comply with this Principle.

The small size of the Company, the limited number of executive personnel and the relative simplicity of operations, with the majority of exploration work currently being carried out in a joint venture managed by the joint venture party, are all factors supporting the size of the Board being kept small despite the desired requirements of this Principle.

Role of the Chairman

The Chairman is responsible for the day to day running of the Company, effective conduct of meetings of directors and general meetings of shareholders. He is also responsible for setting the agenda for Board meetings with the Company Secretary. Any director of the Board may request an item of business to be included on the agenda.

The Chairman is the person authorised by the Board to make verbal statements on the Company's behalf.

2.6 Program for inducting new directors and provision of professional development opportunities

The Company Secretary is responsible for ensuring new directors are provided with an induction program to familiarise them with the Company's operations and policies and procedures.

Board members are encouraged to take opportunities to develop and maintain their skills and knowledge relevant to their position as a director of the Company – undertaking any such training or professional development courses at the expense of the Company is subject to prior approval by the Chairman.

3. ACT ETHICALLY AND RESPONSIBLY

3.1 Code of conduct

The Company has a code of conduct which is committed to achieving the following objectives:

- (a) ensuring that all of its business affairs are conducted legally, ethically and with integrity;
- (b) ensuring that the Company itself and those of its joint venture partners who act as operators of projects in which the Company has an interest adopt high standards of occupational health and safety, environmental management and ethics;
- (c) managing its legal obligations and the reasonable expectations of stakeholders effectively through the development and implementation of a risk management framework which incorporates these key areas; and
- (d) fostering and maintaining a culture of ownership, care, professional excellence, confidentiality, integrity and freedom from any conflict or perceived conflict of interest in each of the Company's employees and consultants.

Director conflict of interest

All directors are required to disclose any actual or potential conflict of interest upon appointment and are required to keep up to date these disclosures to the Board.

Trading in company securities

The Company's securities trading policy has been disclosed in accordance with the provisions of the ASX Listing Rules and is published on the Company's website.

4. SAFEGUARD INTEGRITY IN CORPORATE REPORTING

4.1 Audit committee

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

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

Additionally, the Board, in line with its overall responsibility to shareholders, annually reviews the performance and independence of the external auditor and the continuation of that appointment. The Board also approves the remuneration and terms of engagement of the external auditor. Any appointment of a new external auditor is submitted for ratification by shareholders at the next Annual General Meeting of the Company.

4.2 CEO/CFO declaration required prior to approving financial statements for a financial period

The Board, prior to approving quarterly, half-yearly and annual financial statements, receives from the Executive Chairman and the Company Secretary a declaration in writing that, in their opinion, the financial records of the Company 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 Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.3 External auditor attends the annual general meeting

The Company ensures that a representative of the external auditor attends the Annual General Meeting and is available to take questions from attendees concerning the conduct of the audit, the preparation and content of the audit report, the independence of the auditor and the accounting policies adopted by the Company.

5. MAKE TIMELY AND BALANCED DISCLOSURE

5.1 Policy for complying with continuous disclosure obligations under the ASX Listing Rules

The Company's policy on continuous disclosure and its compliance procedures are designed to ensure it complies with the disclosure requirements of the ASX Listing Rules, including the requirement for timely and balanced disclosure.

All announcements to the ASX are promptly uploaded to the Company's website following their release.

6. RESPECT THE RIGHTS OF SECURITY HOLDERS

6.1 Information about the Company and its governance provided to investors via the Company website

The Company's website is intended as a source of general information about the Company and its operations, as well as a source of information specifically for shareholders. It includes information about the Company's capital structure and its substantial shareholdings and sets out the Company's Corporate Governance Statement. Copies of the annual, half yearly and quarterly reports and financial statements for at least the past five years can also be accessed. It is updated promptly with the Company's latest ASX announcements – these include notices of meetings and any investor updates and company presentations. There is also a link to the Company's current share price on the ASX. Company contact details are provided on the website and visitors to the site may send any queries they may have direct to the Company.

6.2 Design and implement an investor relations program to facilitate two-way communication with investors

The Company has a simple investor relations program whereby it responds promptly to shareholder and investor communications that it receives and utilises the Annual General Meeting and its website to facilitate communications between the Company and its shareholders and investors.

6.3 Policies and processes to facilitate and encourage participation at meetings of security holders

The Company actively engages with shareholders at the Annual General Meeting, encouraging them to participate in discussion of the Company's business and affairs. It also uses the opportunity to update shareholders on the Company's operations and is proactive in encouraging attendees to participate in ensuing discussion. Any enquiries

received from shareholders to be addressed at the Annual General Meeting are dealt with at the meeting and at all other times are responded to promptly.

6.4 Provide security holders with the option to receive communications from and send communications to the Company electronically

Shareholders are given the option to receive information such as the Annual Report and notices of general meetings in print or electronic form.

The Company maintains a website at www.hamptonhill.com.au. Shareholders can find all recent information on the Company under various headings on the Company's website, including latest ASX releases, details of its projects and its Corporate Profile. Shareholders may also request a print copy of the Company's recent ASX releases. The Company has not as yet initiated a direct on-line voting mechanism for its shareholders at general meetings as the cost of such a mechanism is considered out of proportion to the relatively small number of shareholders who choose to vote. This situation will be reviewed annually.

7. RECOGNISE AND MANAGE RISK

7.1 Committee to oversee risk

The Board does not consider that the Company's affairs are of such a size and complexity as to merit the establishment of a separate committee to oversee risk and relies on the Board as a whole to oversee and manage risk.

The processes the Board employs for overseeing the entity's risk management framework include:

- (a) the establishment of a register of business risks, being principally the risks involved in the Company's main business enterprise, namely minerals exploration and potential development; and
- (b) regularly reviewing the risks relative to any change in the Company's situation and external factors.

To the extent possible in a Company with a very small staff, internal controls are in place to mitigate against any material business risks. Risks of a strategic, financial and operational nature (such as those affecting the ability to raise capital to fund exploration, commodity price and currency fluctuations, fluctuations in the share price of listed investments, less than adequate levels of insurance cover, contract documentation, and meeting financial reporting and compliance obligations) are reviewed on a regular basis by the Board. Potential operational risks involved in running the Company are managed by the Board. The Executive Chairman and the Company Secretary report to the Board on the effective management of risk at least quarterly.

7.2 Review of risk management framework at least annually

The Board reviews its risk management framework regularly and at least annually. There have been no significant changes during the past year.

7.3 Internal audit function

The Board considers that the Company's affairs are not of sufficient size or complexity to warrant an internal audit function.

The Board itself reviews and evaluates the effectiveness of its risk management and internal control processes.

7.4 Material exposure to economic, environmental and social sustainability risks

The Board is currently satisfied that the manner in which the Company conducts its business should not give rise to any material exposure to economic, environmental and social sustainability risks.

8. REMUNERATE FAIRLY AND RESPONSIBLY

8.1 Remuneration committee

The Board does not have a separate remuneration committee due to the small size of the Company. The full Board carries out the functions of a remuneration committee.

The Board on an annual basis reviews remuneration and incentive policies, as well as superannuation arrangements. The Board adheres to the principles used to determine the nature and amount of remuneration outlined in the audited Remuneration Report set out in the Directors' Report. The Board reviews these principles at least annually and, where necessary, will consult with external consultants and specialists.

8.2 Separate disclosure of remuneration policies and practices for non-executive directors and executive directors and senior executives

Remuneration for non-executive directors is fixed and directors do not participate in any incentive plans. Directors do not receive any retirement benefits, except that, as part of their fixed remuneration, they are paid statutory superannuation.

The Executive Chairman has elected, with the Board's consent, to receive no additional remuneration to that of the non-executive Board members. For information about director remuneration practice, reference can be made to the audited Remuneration Report set out in the Directors' Report.

Remuneration of other Company personnel is by way of salary or fees, on a set or hourly basis and, at the Directors' discretion, may include the grant of options to acquire shares or partly paid shares in the Company.

8.3 Equity based remuneration scheme

Recipients of equity-based remuneration such as incentive options are not permitted to enter into transactions which would limit the economic risk of participating in such schemes.