

CORPORATE GOVERNANCE STATEMENT

This statement reports on the main corporate governance practices of Wolf Minerals Limited (“**Company**” or “**Wolf**”) as at 17 September 2015. It has been approved by the Board of the Company.

Wolf is committed to robust corporate governance practices which are appropriate to our size and life stage and which facilitate the long term performance and sustainability of the Company as well as protect and enhance the interests of our shareholders and other stakeholders.

We regularly review our governance arrangements and monitor developments in market practice, expectations and regulation.

The Company supports the 3rd Edition of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations and is working towards compliance in those few remaining areas where this has yet to be achieved.

This Statement outlines the compliance with the ASX Principles and Recommendations. Where the Company’s compliance with these Principles and Recommendations is reflected in a separate document or policy, a reference to the location of that document or policy is included in this statement.

References in this statement to “reporting period” are for the financial year ended 30 June 2015.

Principle 1 – Lay solid foundations for management and oversight

Recommendation 1.1 – Recommendation followed

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 role of the Board is formally set out in its Board Charter. In addition to summarizing the role and responsibility of the Board, it also details, among other things, those matters have been delegated to the management and to Board Committees.

In early 2015 the Board undertook a major review of its Charter to ensure that it not only covered all contemporary corporate governance standards but was also appropriate for the Company’s transition from a development company to a producer.

A copy of the Board Charter is located on the Company’s website and can be viewed at [Board Charter](#)

The Board has established the following standing Committees to assist the Board in exercising its authority and in meeting its responsibilities:

- Audit, Risk and Compliance Committee;
- Remuneration Committee;

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- Nomination Committee; and
- Project Steering Committee.

Copies of the Committee Charters are located on the Company's website and can be viewed at [Committee Charters](#)

The Board has delegated to the CEO and the executive team responsibility for implementing Wolf's strategic direction and for managing Wolf's day-to-day operations. Specific limits on the authority delegated to the CEO and the executive team are set out in the Delegation of Authority approved by the Board.

Recommendation 1.2 – Recommendation followed

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.*

Prior to the appointment of a new person, or putting forward to security holders a new candidate for election, as a director, the Company undertakes checks which it believes are appropriate to verify a director's character, experience, education, criminal record and bankruptcy history including:

- background and reference checking;
- requesting information in relation to the person's current and previous positions, directorships, and any potential conflicts of interests.

as well as any other checks in accordance with the Alternative Investment Market ("AIM") Rules for Companies.

The Company ensures that all material information in its possession relevant to a shareholder's decision whether to elect or re-elect a director, including the information referred to in Recommendation 1.2, is provided to shareholders in the Company's Notice of Annual General Meeting.

Shareholders are also provided with the information specified in AIM Rule 17 and Schedule Two paragraph (g) for a Director upon appointment.

The Company's processes for undertaking pre-appointment checks for Directors is detailed in its Board Appointment, Induction and Renewal Policy, a copy of which can be found on its website at: [Board Appointment, Induction and Renewal Policy](#)

The Nomination Committee is responsible for the oversight of the Board appointment process and for ensuring that relevant assessments and Director probity checks are carried out. In addition the Committee is also responsible for the evaluation of retiring Directors seeking re-election. A copy of

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the Nominations Committee's Charter is located on the Company's website at: [Nomination Committee Charter](#)

Recommendation 1.3 – Recommendation followed

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

Each director and senior executive of the Company has an agreement in writing with the Company which sets out the key terms and conditions of their appointment including their duties, rights and responsibilities, and (to the extent applicable) the matters referred to in the commentary to Recommendation 1.3.

Recommendation 1.4 – Recommendation followed

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 Company Secretary has a direct reporting line to the Chairman and is responsible for the co-ordination of all Board and Board Committee business, including agendas, board papers, minutes, communication with the Company's security exchanges and related statutory filings.

In addition the Company Secretary is also responsible for:

- advising and supporting the Chairman and the Board and its committees to manage the day to day governance framework of the Company;
- assisting with Board effectiveness by monitoring whether applicable Board and committee policies, procedures and charters are followed and coordinating timely completion and despatch of Board agendas and papers; and
- assisting with all matters to do with the proper functioning of the Board including advising on governance matters and assisting with induction and professional development of directors.

All Directors have direct access to the Company Secretary and the appointment and removal of a Company Secretary will be subject to Board approval.

Wolf presently has two Company Secretaries, one of whom is also the Chief Financial Officer, who undertake the role jointly.

Recommendation 1.5 – Recommendation mostly followed

A listed entity should:

- 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 (Followed);*
- b) disclose that policy or a summary of it (Followed); and*

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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, **(Not Followed)** and either:*

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) **(Followed)**; or*
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. **(Not applicable)***

Wolf has a strong belief in the advantages of an inclusive work environment. People with a variety of backgrounds and perspectives are welcomed, encouraged and given the opportunity to contribute to their full potential. The Company takes a broad and all-encompassing view of diversity. Diversity is about accepting, respecting and understanding that each person is unique.

The Company has an Equality and Diversity Policy which meets both the ASX Corporate Governance Principles and Recommendations and UK legislation. A copy of the policy can be found on our website at [Equality & Diversity Policy](#)

The Board accepts overall responsibility for the establishment and annual review of measurable diversity targets. Given that the Company has been in a project development phase requiring a large contracted workforce, the directors believe that it has not been appropriate to date to set measurable objectives in relation to diversity. This will be done with the assistance of the Remuneration Committee in 2016 when the Company's Hemerdon Project has fully completed all commissioning activities and the Company has transitioned to a steady state operational phase.

As at the end of the 30 June 2015 reporting year, the Consolidated Entity had the following proportion of women appointed:

Proportion of Women Appointed to	30 June 2015	30 June 2014
Board	0%	0%
Senior Executive ⁽¹⁾	33%	0%
Organisation as a whole	13% ⁽²⁾	31%

Note 1: A senior executive is defined as a professional or manager reporting directly to the Managing Director.

Note 2: Over the last 12 months the Company has completed the construction of its Hemerdon Project and the overall size of the employee workforce has increased as part of its transition to a producer.

The overwhelming majority of Wolf's workforce is based in the United Kingdom and the Company has a small head office in Australia. The Company is not classified as a "relevant employer" under the Workplace Gender Equality Act.

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Recommendation 1.6 – Recommendation followed

A listed entity should:

- a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and*
- b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

The Board supports a continuous improvement philosophy and undertakes structured periodic assessments and reviews of performance of the Board, its Committees and individual Directors which is led by the Board Chairman.

The process includes the formulation of customised questionnaires containing a mix of both quantitative and qualitative elements and which cover all elements of Board structure as well as Board and Director competencies and behaviours. Each Director completes several questionnaires on a confidential basis assessing the:

- Collective performance of the **Board** as a whole (which incorporates Committee performance;
- Their own performance and that of other **Individual Directors**;
- Performance of the **Chairman**; and the
- Performance of the **Managing Director**.

After compilation and analysis of the results, the collected opinions of the Board including any areas of disagreement and areas for improvement form the basis of discussion by the Board on its collective performance.

The Chairman conducts one on one discussions with each Director providing (non-attributed) feedback to them on their performance as perceived by the rest of the Board and agreeing on any areas of development if required.

Given the unique role played by the Board Chairman and the special set of skills and attributes a Chairman requires, all Directors complete a questionnaire assessing the performance of the Chairman. The process of the Chairman inviting feedback on his performance as a Chairman (as opposed to that of a Director) sends a very strong leadership message. The results are communicated to the Board Chairman by the Chairman of the Remuneration Committee.

At the conclusion of the review process agreed action items are implemented and process enhancements are identified for future years' reviews.

The Board undertook a structured and comprehensive Board and Director performance review in the first half of 2015 using the process described above.

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Recommendation 1.7 – Recommendation followed

A listed entity should:

- a) *have and disclose a process for periodically evaluating the performance of its senior executives; and*
- b) *disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

The Managing Director reviews the performance of the senior executives annually with oversight from the Remuneration Committee. These evaluations take into account criteria such as the achievement and performance towards the Company's objectives and (where appropriate) performance benchmarks and the achievement of individual performance objectives.

During the reporting period, formal performance evaluations of the senior executives were undertaken by the Company in accordance with these processes.

Principle 2 – Structure the Board to add value

Recommendation 2.1 – Recommendation mainly followed

The board of a listed entity should:

- a) *have a nomination committee which:*
 1. *has at least three members, a majority of whom are independent directors; and*
 2. *is chaired by an independent director, and disclose:*
 3. *the charter of the committee; the members of the committee; and*
 4. *as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- b) *if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.*

The Company has established a dedicated Nomination Committee which comprises four non-executive directors, two of whom are independent directors. The Committee is chaired by the Board Chairman who is an independent director (Mr John Hopkins OAM). The membership of the Committee is shown below:

NOMINATION COMMITTEE MEMBERS AS AT 17 SEPTEMBER 2015

Mr John Hopkins OAM	Independent Non-executive Director	(Board and Nomination Committee Chairman)
Mr Ronnie Beevor	Independent Non-executive Director	(Remuneration Committee Chairman)
Mr Chris Corbett	Non-executive Director	(Major shareholder representative)
Mr Michael Wolley	Non-executive Director	Major shareholder representative)

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When establishing the Committee in early 2015 the Board gave careful consideration to recommendation 2.1 and in particular section 2.1 (a) (1) which deals with the composition of a Nomination Committee.

In light of the responsibilities delegated to the Committee together with the Company's ownership, the Board determined that it was preferable and appropriate for the representative Directors from the Company's two major shareholders to be members of the Nomination Committee. As such the Committee does not have a majority of independent directors but rather is comprised of an equal number of independent and non-independent members. The authority of the Nomination Committee is limited to making recommendations to the Board and the Board comprises a majority of independent directors.

The over-arching purpose of the Nomination Committee is to ensure that Wolf group and related Boards comprise individuals who are best able to discharge the responsibilities of Directors (or representatives of Wolf) having regard to the law and aspiring to excellence in governance standards. The Nomination Committee has a Board approved Charter and full details of its responsibilities are contained in its Charter, a copy of which is located on the Company's website at: [Nomination Committee Charter](#)

Members' relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings is set out in the Directors' Report in the 2015 Annual Report. A copy of the 2015 Annual Report is located at: [2015 Annual Report](#)

Recommendation 2.2 – Recommendation followed

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.

The composition of the Wolf Board has been refreshed over the last two years for the construction phase of the Hemerdon Project. In early 2015 with the Project well on the way to completion and as part of its embracement of good governance practices the Board established a Nomination Committee. Among its delegated tasks the Committee is charged with the responsibility of developing criteria for assessing the skills and experience required for Directors and for conducting an annual review of the Board Skills Matrix.

Wolf seeks to have a Board of Directors with a broad range of technical, financial and other skills, together with experience and knowledge relevant to overseeing the business of developing a large mining project and transitioning to a producer. The Board has developed a matrix to consider the mix of appropriate skills, experience, expertise and diversity for its membership. In addition to the general skills expected for Board membership the matrix includes items such as relevant experience within the mining sector, geographical and specific product experience as well as technical, operational, financing and marketing expertise.

Details of the specific skills and experience mix which provide overarching guidance as to the Board's composition are contained in the Board Appointment, Induction and Renewal Policy which is located on the Company's website at: [Board Appointment, Induction and Renewal Policy](#)

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A formal Board skills inventory was undertaken by the Nomination Committee on behalf of the Board in the first half of 2015. A customised Board Skills Matrix identifying the essential and desirable skills for the Board as a whole to possess was developed together with an assessment scale. Individual directors are not expected to possess each skill listed in the matrix but rather the aim is that these skills should be covered off by the Board as a collective unit.

Following a self-assessment process in which each Director rated their skills and experience using the matrix and the agreed scale, the Committee considered each Director's completed Board Skills Matrix and reviewed the consolidated results of the skills stocktake.

The Committee concluded that the Board has a broad range of demonstrated skills by virtue of both experience and qualifications and possesses a very strong skill set in the mining sector as well as in strategy and commercial related matters. In addition there are no gaps in the collective Board skill set which require addressing. At a collective level the Board is considered to have sufficient expertise to deal with the transition to production at the Hemerdon Project.

It is envisaged that in a steady state basis a Board skills inventory would be undertaken at least once every three years and more frequently as and when the Board's composition changes.

Recommendation 2.3 – Recommendation followed

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 overall purpose of independence is to ensure that a Director does not have a relationship which could or could reasonably be perceived to materially interfere with a Director performing his or her role as a Director or which could inhibit free Board discussion of matters coming before the Board.

The Company has a Board Independence and Assessment Policy which can be found on its website at [Board Independence and Assessment Policy](#)

This policy describes how the Wolf Board will assess the independence of each Director and identify the information that will be collected from each Director to make the assessment of independence. In addition it outlines the disclosure to shareholders of the assessment of independence of Directors, including the disclosure of any relationships and associations that may be perceived to affect the independence or objectivity of a Director.

An assessment has been conducted as to each of the Directors' independence status and there have been no changes during the 12 months to 30 June 2015. The table below provides the information required by Recommendation 2.3:

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WOLF MINERALS LIMITED BOARD AS AT 17 SEPTEMBER 2015

Director Name	Independent Director?	Commencement Date	Length of Service	Interests, Positions, Associations or Relationship which may cause doubts as to independence?
Mr John Hopkins OAM <i>Board Chairman</i>	Yes	18 May 2010	5 years and 3 months	None
Mr Ronnie Beevor	Yes	20 September 2013	1 year and 11 months	None
Mr Russell Clark <i>Managing Director</i>	No – executive	16 October 2013	1 year and 10 months	<i>As Managing Director and an executive Mr Clark is not considered to be independent.</i>
Mr Nick Clarke	Yes	7 January 2014	One year and 8 months	None
Mr Chris Corbett	No – representative of major shareholder	29 October 2009	5 years and 10 months	<i>As a representative of a major shareholder Mr Corbett is not considered to be independent.</i>
Mr Don Newport	Yes	15 June 2009	6 years and 2 months	None
Mr Michael Wolley	No – representative of major shareholder	11 June 2013	2 years and 2 months	<i>As a representative of a major shareholder Mr Wolley is not considered to be independent.</i>

Recommendation 2.4 – Recommendation followed

A majority of the board of a listed entity should be independent directors.

The Company follows this recommendation with four of the seven directors being independent.

Directors Messrs Corbett and Wolley are not deemed to be independent as they are representatives of major shareholders - Resource Capital Fund V L.P and TTI (NZ) Limited respectively. Mr Clark is an executive and is therefore also not independent.

Messrs Hopkins, Beevor, Clarke and Newport are all regarded as independent as they are free of 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.

Recommendation 2.5 – Recommendation followed

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.

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The Chairman of the Board, Mr John Hopkins OAM, is an independent director and is not the current or previous CEO or Managing Director of the Company.

Recommendation 2.6 – Recommendation followed

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.

All new Directors are offered a formal structured induction program which extends beyond the Board room to help familiarise them with matters relating to the Company's business and operations, its strategy as well as any current issues before the Board. In addition the induction program covers the Company's governance framework and key Director related policies.

The programme is tailored to the needs of the particular director to avoid repeating information the director is already well versed in. Elements of the induction program are prioritised and delivered over a pre agreed period.

The Chairman leads the induction process and the Company Secretary is responsible for facilitating its implementation. The Nomination Committee is responsible for oversight of the Board induction process and the on-boarding of new Directors as well as the periodic assessment of the effectiveness of the induction process.

Further details regarding the induction process are contained in the Board Appointment, Induction and Renewal Policy which is located on the Company's website at [Board Appointment, Induction and Renewal Policy](#)

All directors are expected to be proactive and maintain the skills required to effectively discharge their obligations to the Company.

The Nomination Committee is responsible for the oversight of the development and provision of a training and development plan for non-executive Directors. It has formulated a training plan which will include presentations to the Board at its meetings on a range of relevant and topical matters. The program will commence following the completion of the commissioning of the Hemerdon Project. During the reporting period ended 30 June 2015 the Board received updates in a number of areas including its AIM compliance obligations and treasury and hedging matters.

Principle 3 – Act ethically and responsibly

Recommendation 3.1 – Recommendation followed

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.*

The Company has a Code of Conduct that sets out the standards of behaviour expected of all its employees, directors, officers, contractors and consultants. The overriding requirement is that all

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Company representatives should conduct themselves, in all activities, to the highest standards of honesty and integrity and comply with all legal and regulatory requirements.

A copy of the Company's Code of Conduct is located on its website at [Code of Conduct](#)

Principle 4 – Safeguard integrity in corporate reporting

Recommendation 4.1 – Recommendation followed

The board of a listed entity should:

- a) *have an audit committee which:*
 - 1. *has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and*
 - 2. *is chaired by an independent director, who is not the chair of the board, and disclose:*
 - 3. *the charter of the committee;*
 - 4. *the relevant qualifications and experience of the members of the committee; and*
 - 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*
- 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.*

The Company has an Audit, Risk and Compliance Committee which comprises three non-executive directors, all of whom are independent. The Committee is chaired by an independent director, Mr Ronnie Beevor, who is not the chair of the Board.

The Audit, Risk and Compliance Committee's Charter is located on its website at [Audit, Risk and Compliance Committee Charter](#)

The Committee's members are listed below:

AUDIT, RISK AND COMPLIANCE COMMITTEE CURRENT MEMBERS AS AT 17 SEPTEMBER 2015

Mr Ronnie Beevor	Independent Non-executive Director	(Committee Chairman)
Mr John Hopkins OAM	Independent Non-executive Director	(Board Chairman)
Mr Don Newport	Independent Non-executive Director	

Members' relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings

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is set out in the Directors' Report in the 2015 Annual Report. A copy of the 2015 Annual Report is located at [2015 Annual Report](#) on the Company's website.

Recommendation 4.2 – Recommendation followed

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.

The Board has received a declaration in the form set out in Recommendation 4.2 from its CEO and CFO in relation to the financial statements for the financial year ended 30 June 2015.

Recommendation 4.3 – Recommendation followed

A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

The Company's external auditor attends each AGM of the Company and is always available to answer questions from security holders relevant to the audit.

Principle 5 – Make timely and balanced disclosure

Recommendation 5.1 – Recommendation followed

A listed entity should:

- a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and*
- b) disclose that policy or a summary of it.*

The Company has a Market Communication and Disclosure Policy that outlines the processes followed by the Company to ensure compliance with its continuous disclosure obligations and the corporate governance standards applied by the Company in its communications to the market.

The Market Communication and Disclosure Policy can be viewed on the Company's website at [Market Communication and Disclosure Policy](#)

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Principle 6 – Respect the rights of security holders

Recommendation 6.1 – Recommendation followed

A listed entity should provide information about itself and its governance to investors via its website.

Information about the Company and its operations is located at: www.wolfminerals.com

Information about the Company's corporate governance (including links to the Company's corporate governance policies and charters) is located on this page [Corporate Governance](#)

Recommendation 6.2 – Recommendation followed

A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Company has an active investor relations program. The Managing Director is responsible for the formulation of the annual investor relations plan. The plan is reviewed and approved by the Board prior to its implementation.

The Company has a Market Communication and Disclosure Policy that outlines the processes followed by the Company to ensure communication with shareholders and the investment community is effective, consistent and adheres to the principles of continuous disclosure. The Policy can be viewed on the Company's website at [Market Communication and Disclosure Policy](#)

The Company's Market Communication and Disclosure Policy also outlines policies and requirements for communications with analysts and investors to ensure that the communications are effective and comply with the Company's continuous disclosure obligations under the Corporations Act and the ASX Listing Rules.

Recommendation 6.3 – Recommendation followed

A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

The Market Communication and Disclosure Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of security holders. The Company permits shareholders to cast their proxies prior to a General Meeting if they are unable to attend the meeting. The Policy can be viewed on the Company's website at [Market Communication and Disclosure Policy](#)

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Recommendation 6.4 – Recommendation followed

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Company gives security holders the option to receive communications from, and send communications to, the Company and its security registry electronically.

Principle 7 – Recognise and manage risk

Recommendation 7.1 – Recommendation followed

The board of a listed entity should:

- a) have a committee or committees to oversee risk, each of which:*
 - 1. has at least three members, a majority of whom are independent directors; and*
 - 2. is chaired by an independent director, and disclose:*
 - 3. the charter of the committee;*
 - 4. the members of the committee; and*
 - 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*
- b) if it does not have risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*

The Board is responsible for considering and approving the Group's overall risk framework, monitoring the effectiveness of risk management by the Group as well as determining whether to accept risks beyond the approval discretion provided to management. The Board has charged the Audit, Risk and Compliance Committee to assist with its responsibilities for overseeing risk.

The Committee's responsibilities for risk management include, among other things, ensuring that management has an appropriate framework in place to identify and manage risk. In addition it is also responsible for reviewing the implementation and maintenance of a risk management framework throughout the Group to manage material business risks and for reviewing the Group's policies with respect to risk assessment and risk management. The Committee also considers the Group's insurance arrangements and renewals

The Audit, Risk and Compliance Committee is comprised of three non-executive directors, all of whom are independent. The Committee is chaired by an independent director, Mr Beevor, who is not the chair of the Board.

The Audit, Risk and Compliance Committee's Charter is located at its website at [Audit, Risk and Compliance Committee](#)

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The Committee's members are shown below:

AUDIT, RISK AND COMPLIANCE COMMITTEE CURRENT MEMBERS AS AT 17 SEPTEMBER 2015

Mr Ronnie Beevor	Independent Non-executive Director	(Committee Chairman)
Mr John Hopkins OAM	Independent Non-executive Director	(Board Chairman)
Mr Don Newport	Independent Non-executive Director	

Members' relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings is set out in the Directors' Report in the 2015 Annual Report. A copy of the Annual Report can be found on the website at [2015 Annual Report](#)

Recommendation 7.2 – Recommendation followed

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 Company has an established Risk Management Framework based on the Australian Standard for Risk Management AS/NZ 31000:2009, which is aimed at the systematic identification, assessment, treatment, communication and monitoring of risk within all areas of the Company.

As part of the development of the Hemerdon Project the Company has developed a comprehensive program for identifying, actively tracking and mitigating risks associated with all aspects of the Project's delivery and the site's operational readiness. For its transition to a producer an extensive suite of risk documentation has been produced and rolled out; including a site management risk program, a risk management handbook and a corporate dashboard which covers health and safety, environment, risk management, business continuity, stakeholder management and compliance. Management is required to report on material risks at each Board meeting.

During the reporting period the Board has undertaken a strategic risk analysis and assessed the risk management framework in conjunction with an external provider to assess its soundness. The external provider also conducts quarterly risk updates.

A copy of the Company's Risk Policy can be found on its website at [Risk Policy](#)

Recommendation 7.3 – Recommendation not followed

A listed entity should disclose:

- a) if it has an internal audit function, how the function is structured and what role it performs;*
or

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- 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.*

Due to its size, lack of complexity and given that its major asset is not yet fully operational, the Company does not currently have an in-house internal audit function. Instead reports and reviews into the effectiveness of internal controls are commissioned as required using external resources.

As the Company moves into its operational phase the Audit, Risk and Compliance Committee will reassess the requirement for an internal audit function in early 2016 and will make a recommendation to the Board as to the most appropriate mechanism to provide this function.

During the reporting period an assessment on the effectiveness of internal controls was provided by the Company's external auditor as part of the year end audit.

Reports are provided to each Board meeting on known and emerging risk and compliance issues, including non-financial, operational and other business risks for consideration and discussion.

The ongoing mitigation and management of key business risks is a standing item of business on the agenda of each Board meeting. Management reports regularly to the Board on the Company's risk registers. Company's managers are directly responsible for risk management in their respective areas of accountability and for ensuring that those risks are being managed appropriately.

Recommendation 7.4 – Recommendation followed

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.

The Company undertakes mining development and, as such, faces risks inherent to its business, including economic, environmental and social sustainability risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term.

Wolf believes that long-term success hinges on sustainable development that benefits the business, stakeholders and the environment. To this end, Wolf has adopted a policy of responsible, proactive environmental management and works hard to ensure compliance with relevant legislative obligations in the course of any exploration or development activity. The Company remains committed to delivering excellent results for shareholders while at the same time ensuring that its economic success is balanced alongside its environmental and social responsibilities.

Wolf appreciates the importance of community consultation and facilitates the involvement and awareness of relevant communities and their representatives when undertaking any exploration or development activity. Through a proactive policy of self-regulation, legislative compliance and community involvement, Wolf is working hard to deliver on its short and long-term business objectives while ensuring that relevant social and environmental considerations are included as part of any decision-making process.

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The Company will continue its policy of sustainable development in the interests of meeting the expectations of its shareholders without compromising the health or vitality of both the natural and social environment.

A copy of the Company's Environment Policy can be found on its website at [Environment Policy](#)

The Company has an extensive list of environmental legislation, regulations and guidelines that directly and indirectly apply to the activities of the Hemerdon Project. The obligations have been captured and recorded in an Environmental and Social Management System ("ESMS"), along with other conditions the Company must comply with contained in individual permits and consents. The ESMS is regularly reviewed and updated resulting in an Environmental and Social Action Plan which is utilised by management to ensure compliance with environmental obligations and reporting.

The Company's environmental management systems have received certification to the ISO 14001 Standard. This provides assurance to all stakeholders that the environmental impact of the Hemerdon Project is being managed, measured and mitigated as it develops through commissioning and into operations.

One of the Company's core values is safety - it prioritises safety and health to people, the environment and community. The Company has in place policies and procedures to help manage these risks. A copy of the Company's Health & Safety Policy is located on its website at [Health & Safety Policy](#)

The Company operates internationally and is exposed to foreign exchange risk. This risk stems from commercial transactions with sales revenues being denominated in US dollars and the majority of operating costs incurred in Pounds Sterling. The Audit, Risk and Compliance Committee is responsible for monitoring the Company's overall treasury risk exposure and the implementation of agreed treasury activities.

Further details in relation to risks are found in Note 25: Financial Risk Management of the Company's 2015 Annual Report.

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1 – Recommendation followed

The board of a listed entity should:

- a) have a remuneration committee which:*
 - 1. has at least three members, a majority of whom are independent directors; and*
 - 2. is chaired by an independent director, and disclose*
 - 3. the charter of the committee;*
 - 4. the members of the committee; and*
 - 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*

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- b) *if it does not have risk 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 remuneration is appropriate and not excessive.*

The Company has an established Remuneration Committee which has five non-executive directors, the majority of who are independent directors. The Committee is chaired by an independent director, Mr Ronnie Beevor.

The membership of the Remuneration Committee is shown in the table below:

REMUNERATION COMMITTEE CURRENT MEMBERS AS AT 17 SEPTEMBER 2015

Mr Ronnie Beevor	Independent Non-executive Director	(Committee Chairman)
Mr Nick Clarke	Independent Non-executive Director	
Mr Chris Corbett	Non-executive Director	
Mr Don Newport	Independent Non-executive Director	
Mr Michael Wolley	Non-executive Director	

The Remuneration Committee's Charter is located at its website at [Remuneration Committee Charter](#)

Members' relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings is set out in the Directors' Report in the 2015 Annual Report. A copy is located on the Company's website at [2015 Annual Report](#)

Recommendation 8.2 – Recommendation followed

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.

The Company's policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives is set out in the Remuneration Committee Charter and in the Remuneration Report contained in the 2015 Annual Report. The Remuneration Committee Charter can be viewed at [Remuneration Committee Charter](#)

A copy of the 2015 Annual Report is located at [2015 Annual Report](#)

CORPORATE GOVERNANCE STATEMENT

Recommendation 8.3 – Recommendation followed

A listed entity which has an equity-based remuneration scheme should:

- 1. 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*
- 2. disclose that policy or a summary of it.*

The Company currently operates two equity-based remuneration schemes; the Long Term Incentive Plan for executives and the Directors' Share Plan.

The Company's Securities Trading Policy provides that participants in the scheme must not enter into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested equity interest.

The Securities Trading Policy is located on the Company's website at [Securities Trading Policy](#)
