

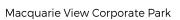


Unit 13, 112-118 Talavera Road North Ryde NSW 2113 Australia

ACN 056 210 774 August 2016

This Corporate Governance Statement sets out INTECQ Limited's (**Company**) compliance with the third edition of ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, the Company is required to provide this statement disclosing the extent to which it has followed the recommendations contained in the ASX Principles and Recommendations. This corporate governance statement is current as at 30 June 2016 and has been approved by the board of the Company (**Board**).

	ASX Principles and	Comply	Explanation
	Recommendations	(Yes/No)	
1.	Lay solid foundations fo	r management	and oversight
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.	Yes	The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:  (a) maintain and increase shareholder value; (b) ensure a prudential and ethical basis for the Company's conduct and activities; and (c) ensure compliance with the Company's legal and regulatory objectives.  Consistent with these goals, the Board assumes the following responsibilities: (a) developing initiatives for profit and asset growth; (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis; (c) acting on behalf of, and being accountable to, the shareholders; and (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.  The Company is committed to the circulation of relevant materials to directors in a timely manner to facilitate directors' participation in Board discussions on a fully informed basis.
1.2	A listed entity should:	Voc	The Company undertakes background checks with
	(a) undertake appropriate checks	Yes	regards to the person's character, experience, education, criminal record and bankruptcy history
	before appointing		prior to nomination for election as a director. Any
	a person, or		material information relevant to a decision on
	putting forward to		whether or not to elect or re-elect a director is
	security holders a		provided to security holders.





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	ASX Principles and	Comply	Explanation
	Recommendations	(Yes/No)	
	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.	Yes	When an individual is nominated to be a director, their career history with their relevant professional history and qualifications is circulated to the security holders in the Company.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Directors are given letters of appointment and/or service agreements, and senior executives are given employment contracts prior to their engagement with the Company.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The company secretary position is directly accountable to the Board on all matters to do with the proper functioning of the Board.
1.5	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	Yes	The Company is an equal opportunity employer and welcomes people from a diverse range of backgrounds. The Board adopted a diversity policy in November 2015. A copy of the policy is available on the Company's website at the following URL: <a href="http://www.intecqlimited.com/media/1690/intecq-diversity-policy-november-2015.pdf">http://www.intecqlimited.com/media/1690/intecq-diversity-policy-november-2015.pdf</a> In accordance with the requirements of the Workplace Gender Equality Act 2012 (Cth), the Company has lodged its annual public report with the Workplace Gender Equality Agency. A copy of this report can be found at the following URL: <a href="http://www.intecqlimited.com/media/1693/15-16-public-report-for-workplace-gender-equality.pdf">http://www.intecqlimited.com/media/1693/15-16-public-report-for-workplace-gender-equality.pdf</a>





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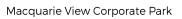
ASX Principles and	Comply	Explanation
Recommendations	(Yes/No)	
objectives and the entity's progress in achieving them; (b) disclose that		For the reporting period there was no disclosure of the measurable objectives for achieving diversity, other than the information contained in the annual
policy or a	Vac	public report lodged with the Workplace Gender
summary of it; and (c) disclose as at the end of each	Yes	Equality Agency.
reporting period the measurable objectives for	No	
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:		
(1) the respective proportions of men and		
women on the board, in senior	No	
executive positions and across the		
whole organisation (including		
how the entity has defined		
"senior executive" for these		
purposes); or (2) if the entity is		
a "relevant employer"		



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	ASX Principles and	Comply	Explanation
	under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	Yes	
1.6	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.	Yes	The performance of the Board as a group and of individual directors is to be assessed each year. In particular, all directors seeking re-election at an annual general meeting will be subject to a formal performance appraisal to determine whether the Board (with their absenting themselves) recommends their re-election to shareholders.  The Company confirms that both formal and informal performance appraisals were undertaken in the reporting period and that the performance of the board and its committees have been monitored and assessed throughout the reporting period.
1.7	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	Yes	The Board and senior management team will regularly review the performance of its senior executives and address any issues that may emerge.  The Company confirms that a formal performance appraisal was undertaken in the reporting period.





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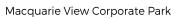
	ASX Principles and	Comply	Explanation
	Recommendations reporting period,	(Yes/No)	
	whether a		
	performance		
	evaluation was		
	undertaken in the		
	reporting period		
	in accordance		
	with that process.		
2.	Structure the board to a	dd value	
2.1	The board of a listed		Since August 2015, the functions of the Nomination
	entity should:		Committee have been amalgamated with the
	(a) have a		Remuneration Committee, and the committee has
	nomination		accordingly been renamed the Remuneration and
	committee		Nomination Committee (Remuneration and
	which:	.,	Nomination Committee). The Remuneration and
	(1) has at least	Yes	Nomination Committee consists of four members –
	three		Mr Paul Oneile (chairman), Mr Ian James, Mr
	members, a		Michael Hale and Mr Simon Kelly.
	majority of		All the committee members on an ideas declared
	whom are		All the committee members are considered to be
	independent		independent directors by the Company.
	directors; and (2) is chaired by		The Remuneration and Nomination Committee
	an	Yes	during the 2016 financial year had the following
	independent	163	responsibilities:
	director,		<ul> <li>monitoring the ongoing development of the</li> </ul>
	and disclose:		Board, consistent with the Company's growth
	(3) the charter of	Yes	and development prospects;
	the		<ul> <li>making recommendations for the appointment</li> </ul>
	committee;		and removal of directors to the Board;
	(4) the members	Yes	<ul> <li>evaluating the performance and contribution of</li> </ul>
	of the		individual directors and the Board committees;
	committee;		and
	and		assisting the Board in establishing remuneration
	(5) as at the end	Yes	policies and practices that enable the Company
	of each		to attract, retain and motivate executives and
	reporting		directors who will pursue the long-term growth
	period, the		and success of the Company.
	number of		
	times the		During the 2016 financial year, the Remuneration
	committee		and Nomination Committee met a total of three
	met		times.
	throughout		
	the period		





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	ASX Principles and	Comply (Yos (No)	Explanation
	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.	(Yes/No)	A copy of the Remuneration and Nomination Committee Charter, which was adopted on 14 August 2015, is available on the Company's website at the following URL:  http://www.intecqlimited.com/media/1656/itq-remuneration-and-nomination-committee-charter.pdf
2.2	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.	Yes	The Board strives to ensure that it is comprised of directors with a blend of skills, experience and attributes appropriate for the Company and its business.  On 14 August 2015, the Company resolved to adopt a Board Skills Matrix. The Remuneration and Nomination Committee is responsible for preparing and updating the Board Skills Matrix.  The Board Skills Matrix was updated in June 2016 and it is now available on the Company's website.
2.3	A listed entity should disclose:	Yes	The Company has disclosed the details of the directors in its 2016 Annual Report. Information





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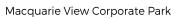
	ASX Principles and	Comply	Explanation
	Recommendations	(Yes/No)	
	Recommendations  (a) the names of the directors considered by the board to be independent directors;  (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or		with respect to potential issues of independence may be disclosed to the market but no formal policy exists to ensure such disclosure.  The Board regularly assesses director independence having regard to the criteria outlined in the ASX Governance Principles and Recommendations.
	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.		
2.4	A majority of the board of a listed entity should be independent directors.	Yes	The Board has reviewed the position and associations of each of the six directors and has determined that five directors are independent – Mr Paul Oneile, Dr Allan Sullivan, Mr Michael Hale, Mr Ian James and Mr Simon Kelly.
			In making this determination the Board has had regard to the independence criteria in the ASX Principles and Recommendations, and other facts, information and circumstances that the Board considers relevant.
			The Board assesses the independence of new directors upon appointment and reviews their independence, and the independence of the other directors, as appropriate.





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	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
		. , ,	
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.	Yes	The Chairman of the Board, Mr Paul Oneile, is considered an independent director.
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.	No	The Company does not have a formal induction program for new directors.  Nevertheless, on an individual basis, as appropriate, the Company takes care in ensuring that directors have an appropriate understanding of the Company to ensure that they are able to effectively fulfil their responsibilities as a director. The Company encourages directors to maintain and enhance their skills and knowledge throughout their tenure.
3.	Act ethically and respon	sibly	
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.	Yes	The Board is committed to the establishment and maintenance of appropriate ethical standards in order to instil confidence in clients, investors and the community in the way the Company conducts its business. These standards are encapsulated in the Code of Conduct which outlines how the Company expects each person who represents it to behave and conduct business.  The Company's Code of Conduct is available on the Company's website at the following URL: <a href="http://www.intecqlimited.com/media/1654/itq-code-of-conduct.pdf">http://www.intecqlimited.com/media/1654/itq-code-of-conduct.pdf</a>
4.	Safeguard integrity in co	orporate repor	ting
4.1	The board of a listed entity should: (a) have an audit committee which:	Yes	Since August 2015, the functions of the Audit Committee have been amalgamated with the Risk Committee, and the committee has accordingly been renamed the Audit and Risk Committee (Audit and Risk Committee). The Audit and Risk Committee





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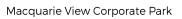
Γ	ASX Principles and	Comply	Explanation
	Recommendations	(Yes/No)	
Ī	(1) has at least		consists of four non-executive directors – Dr Allan
	three		Sullivan (chairman), Mr Paul Oneile, Mr Ian James
	members, all		and Mr Simon Kelly.
	of whom are		
	non-		Mr Sullivan, Mr Oneile, Mr James and Mr Kelly are
	executive		considered by the Company to be independent
	directors and		directors.
	a majority of		
	whom are		A copy of the charter to the Audit and Risk
	independent		Committee is available at the following URL:
	directors; and	Yes	
	(2) is chaired by		http://www.intecqlimited.com/media/1657/itq-
	an		<u>audit-risk.pdf</u>
	independent		
	director, who		The relevant qualifications and experiences of the
	is not the		members of the Audit and Risk Committee can be
	chair of the		found in 2016 Annual Report.
	board,		
	and disclose:	Yes	In the 2016 financial year, the Audit and Risk
	(3) the charter of		Committee met a total of two times.
	the		
	committee;	Yes	
	\ ' '		
	•		
	-		
		Vos	
		res	
	•		
	•		
	(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	Yes	



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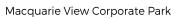
	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
	those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement	(163/140)	
4.2	partner.  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	Yes	The Company has received a declaration from the CEO and CFO that, in their opinion, the financial records have been property maintained and comply with the proper standards.





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	ASX Principles and	Comply	Explanation
	Recommendations	(Yes/No)	
	a sound system of risk		
	management and		
	internal control which		
	is operating effectively.		
4.3	A listed entity that has	Yes	The external auditor attends the AGM and is
	an AGM should ensure		available to answer any questions from
	that its external		shareholders relating to how the audit was
	auditor attends its		conducted and the preparation and content of the
	AGM and is available to		audit report.
	answer questions from		· ·
	security holders		
	relevant to the audit.		
5.	Make timely and balance	ed disclosure	
5.1	A listed entity should:	Yes	The Company is committed to providing timely,
	(a) have a written		complete and accurate disclosure of information to
	policy for		allow a fair, and well-informed market in its
	complying with its		securities and to ensure its compliance with the
	continuous		continuous disclosure requirements imposed by law
	disclosure		(including the Corporation Act and the ASX Listing
	obligations under		Rules).
	the Listing Rules;		
	and		The Company's Continuous Disclosure Policy is
	(b) disclose that policy		available on the Company's website at the following
	or a summary of it.		URL:
	, , , , , , , , , , , , , , , , , , , ,		http://www.intecqlimited.com/media/1655/itq-
			continuous-disclosure-policy.pdf
6.	Respect the rights of sec	curity holders	
6.1	A listed entity should	Yes	The Company provides information about itself and
	provide information		its governance to its investors via its website,
	about itself and its		http://www.intecqlimited.com/investor-
	governance to		relations/asx-announcements/ which contains all
	investors via its		relevant information about the Company and is
	website.		regularly updated.
6.2	A listed entity should	Yes	The Company has an investor relations program in
	design and implement		place and encourages communication with
	an investor relations		investors.
	program to facilitate		
	effective two-way		
	communication with		
	investors.		
6.3	A listed entity should	Yes	The Company's Shareholders' Communication
	disclose the policies		Policy is available on the Company's website at the
	and processes it has in		following URL:
	and processes it ilds iii		10110 THING OTHER





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Recommendations (Yes/No)  place to facilitate and encourage participation at meetings of security    National Commendation	
encourage shareholder-communication-policy.pd participation at meetings of security	
participation at meetings of security	<u>df</u>
meetings of security	
holders.	
6.4 A listed entity should Yes The Company encourages shareholde	rs to register
give security holders for receipt of announcements and up	_
the option to receive electronically.	
communications from,	
and send	
communications to,	
the entity and its	
security registry	
electronically.	
7. Recognise and manage risk	
7.1 The board of a listed Yes	s tasked with
entity should: overseeing the management of the O	Company's risk
(a) have a committee profile during the 2016 financia	
or committees to composition of the Audit and Ris	sk Committee
oversee risk, each consists of four independent director	s that is, three
of which: non-executive directors and the	non-executive
(1) has at least Yes chairman – as noted in Section 4.1 ab	ove.
three	
members, a The Audit and Risk Committee Ch	arter and the
majority of Company's Risk Management Policy	current during
whom are the 2016 financial year can be found a	it the following
independent URL: <a href="http://www.intecqlimited">http://www.intecqlimited</a>	.com/investor-
directors; and <u>relations/corporate-governance/</u>	
(2) is chaired by	
an Yes In the 2016 financial year, the A	udit and Risk
independent Committee met a total of two times.	
director,	
and disclose:	
(3) the charter of Yes	
the	
committee;	
(4) the members Yes	
of the	
committee;	
and	
(5) as at the end Yes	
of each	
reporting	
period, the	



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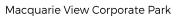
ASX Principles and	Comply	Explanation
Recommendations	(Yes/No)	
number of		
times the		
committee		
met		
throughout		
the period		
and the		
individual		
attendances		
of the		
members at		
those		
meetings; or		
(b) if it does not have a	N/A	
risk committee or		
committees that		
satisfy (a) above,		
disclose that fact		
and the processes		
it employs for		
overseeing the		
entity's risk		
management		
framework		





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	ASX Principles and	Comply	Explanation
7.2	Recommendations  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.	Yes Yes	The Board reviews and approves the risk management and oversight processes regularly. It is the practice of the Board to have a report on risks included in the CEO's monthly board reporting, to allow the Board to respond quickly should the risk management framework need to be adjusted.
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.	N/A Yes	The Company's Audit and Risk Committee charter discloses internal controls, for consideration and review jointly by the Company and the external auditor. This Charter also outlines expected strategies for the improvement of risk management. The charter is available on the Company's website at the following URL: <a href="http://www.intecqlimited.com/media/1657/itq-audit-risk.pdf">http://www.intecqlimited.com/media/1657/itq-audit-risk.pdf</a> .  The Audit and Risk Committee is committed to effective management and the control of these factors and does not consider it necessary to have an internal audit function at this time.





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	ASX Principles and Recommendations	Comply (Yes/No)	Explanation
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.	Yes	All material risks are announced to the market, in accordance with the requirements of the ASX Listing Rules.
8.		esponsibly	
8.1	Remunerate fairly and r  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	Yes	The Remuneration and Nomination Committee consists of four non-executive Directors: Mr Paul Oneile (chairman), Mr Ian James, Mr Michael Hale and Mr Simon Kelly. All committee members are considered by the Company to be independent directors.  The Company has disclosed the details of the members of the committee in its 2016 Annual Report.  The charter for the Remuneration and Nomination Committee is available on the Company's website, <a href="http://www.intecqlimited.com/media/1656/itq-remuneration-and-nomination-committee-charter.pdf">http://www.intecqlimited.com/media/1656/itq-remuneration-and-nomination-committee-charter.pdf</a> .  In the 2016 financial year, the Remuneration Committee met a total of three times.
	reporting period, the number of times the committee		



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	ASX Principles and	Comply	Explanation
	Recommendations	(Yes/No)	
	met throughout the period and the individual attendances of the members at those meetings; or  (b) if it does not have a remuneration	N/A	
	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		
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	Yes	The Company's policies and practices regarding the remuneration of executive and non-executive directors is set out in the Remuneration Report (forming part of the 2016 Annual Report).



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	ASX Principles and	Comply	Explanation
	Recommendations	(Yes/No)	
8.3	Recommendations  A listed entity which has an equity-based remuneration scheme should:  (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  (b) disclose that policy or a summary of it.	Yes	Trading in securities is governed by the Company's Securities Trading Policy. The Company's Securities Trading Policy restricts the trading of the Company's securities by those who receive equity based remuneration. The Securities Trading Policy is available on the Company's website:  http://www.intecqlimited.com/media/1651/itq-securities-trading-policy-002.pdf  Clause 13 of this policy also discourages speculative trading in the securities and clause 14 prohibits the use of margin lending and other secured financing arrangements of equity securities held by personnel the subject of the policy.