

## Appendix 4G

### Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

**Name of entity**

ENERGIA MINERALS LIMITED

**ABN / ARBN**

ABN 63 078 510 988

**Financial year ended:**

30 June 2016

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

- ☐ These pages of our annual report:
- ☒ This URL on our website: <http://www.energiaminerals.com/company-information/our-corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 29 September 2016 and has been approved by the board.

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

Date: 29 September 2016

Name of Director or Secretary  
authorising lodgement:



Jamie Armes, Company Secretary

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<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

**ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES**

| Corporate Governance Council recommendation                             |   | We have followed the recommendation in full for the whole of the period above. We have disclosed ...  | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>   |
|---|---|---|---|
| <b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b> |   |   |   |
| 1.1   | A listed entity should disclose:<br>(a) the respective roles and responsibilities of its board and management; and<br>(b) those matters expressly reserved to the board and those delegated to management.  | ... the fact that we follow this recommendation:<br><input checked="" type="checkbox"/> in our Corporate Governance Statement<br>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):<br><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Board Charter) | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable            |
| 1.2   | A listed entity should:<br>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and<br>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | ... the fact that we follow this recommendation:<br><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> at <i>[insert location]</i>  | <input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.3   | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.   | ... the fact that we follow this recommendation:<br><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> at <i>[insert location]</i>  | <input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.4   | The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.   | ... the fact that we follow this recommendation:<br><input checked="" type="checkbox"/> in our Corporate Governance Statement   | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable            |

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |   | We have followed the recommendation in full for the whole of the period above. We have disclosed ...   | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>  |
|---|---|--|--|
| 1.5   | <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> | <p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Diversity Policy summary)</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 1.6   | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>  | <p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Process for Performance Evaluations)</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>  | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>            |
| 1.7   | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>   | <p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Process for Performance Evaluations)</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>  | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>            |

**Appendix 4G**

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

| Corporate Governance Council recommendation           |  | We have followed the recommendation in full for the whole of the period above. We have disclosed ...   | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>   |
|---|--|--|---|
| <b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b> |  |  |   |
| 2.1   | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Nomination Committee Charter)</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.2   | A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.  | <p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>   | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation        |   | We have followed the recommendation in full for the whole of the period above. We have disclosed ...   | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>  |
|--|---|--|--|
| 2.3  | A listed entity should disclose:<br>(a) the names of the directors considered by the board to be independent directors;<br>(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<br>(c) the length of service of each director. | ... the names of the directors considered by the board to be independent directors:<br><input checked="" type="checkbox"/> in our Corporate Governance Statement<br>... and, where applicable, the information referred to in paragraph (b):<br><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> at [insert location]<br>... and the length of service of each director:<br><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/investor-centre/asx-announcements">http://www.energiaminerals.com/investor-centre/asx-announcements</a> under the Annual Report tab (Annual Report 2016) at page 15 | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement   |
| 2.4  | A majority of the board of a listed entity should be independent directors.   | ... the fact that we follow this recommendation:<br><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> at [insert location]  | <input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement  |
| 2.5  | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.   | ... the fact that we follow this recommendation:<br><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> at [insert location]  | <input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement  |
| 2.6  | A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.  | ... the fact that we follow this recommendation:<br><input checked="" type="checkbox"/> in our Corporate Governance Statement  | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| <b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b> |   |  |  |
| 3.1  | A listed entity should:<br>(a) have a code of conduct for its directors, senior executives and employees; and<br>(b) disclose that code or a summary of it.   | ... our code of conduct or a summary of it:<br><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Code of Conduct summary)  | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement   |

| <b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b> |  |  |  |
|---|--|--|--|
| 4.1   | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Audit and Risk Committee Charter)</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>            |
| 4.2   | <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>   | <p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>   | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

|   |  |  |   |
|---|--|--|---|
| 4.3   | A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.                  | ... the fact that we follow this recommendation:<br><input checked="" type="checkbox"/> in our Corporate Governance  | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable             |
| <b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>    |  |  |   |
| 5.1   | A listed entity should:<br>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and<br>(b) disclose that policy or a summary of it. | ... our continuous disclosure compliance policy or a summary of it:<br><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Summaries of Policy on Continuous Disclosure and Compliance Procedures)                             | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement  |
| <b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b> |  |  |   |
| 6.1   | A listed entity should provide information about itself and its governance to investors via its website.   | ... information about us and our governance on our website:<br><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a>  | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement  |
| 6.2   | A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.  | ... the fact that we follow this recommendation:<br><input checked="" type="checkbox"/> in our Corporate Governance Statement  | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement  |
| 6.3   | A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.                                      | ... our policies and processes for facilitating and encouraging participation at meetings of security holders:<br><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Shareholder Communication and Investor Relations Policy) | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable |
| 6.4   | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.                   | ... the fact that we follow this recommendation:<br><input checked="" type="checkbox"/> in our Corporate Governance Statement  | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement  |

| PRINCIPLE 7 – RECOGNISE AND MANAGE RISK |  |  |   |
|---|--|--|---|
| 7.1                                     | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Audit and Risk Committee Charter)</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 7.2                                     | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>   | <p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>  | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |



## Key to Disclosures Corporate Governance Council Principles and Recommendations

|     |   |   |   |
|-----|---|---|---|
| 7.3 | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> | <p>[If the entity complies with paragraph (a):]<br/>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]<br/>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 7.4 | <p>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.</p>  | <p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>  | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY |  |  |  |
|---|--|--|--|
| 8.1   | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Remuneration Committee Charter)</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>  |
| 8.2   | A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.   | <p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/investor-centre/asx-announcements">http://www.energiaminerals.com/investor-centre/asx-announcements</a> under the Annual Report tab (Annual Report 2016) at pages 20 to 28</p>  | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>  |
| 8.3   | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>   | <p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="http://www.energiaminerals.com/company-information/our-corporate-governance">http://www.energiaminerals.com/company-information/our-corporate-governance</a> (Remuneration Committee Charter)</p>   | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

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# Corporate Governance Statement

## Approach to Corporate Governance

Energia Minerals Limited ABN 63 078 510 988 (**Company**) has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company has referred to the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 3<sup>rd</sup> edition (**Principles & Recommendations**). The Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at [www.energiaminerals.com/company-information/our-corporate-governance](http://www.energiaminerals.com/company-information/our-corporate-governance).

### Charters

Board  
Audit and Risk Committee  
Nomination Committee  
Remuneration Committee

### Policies and Procedures

Risk Management Policy  
Process for Performance Evaluations  
Policy and Procedure for the Selection and (Re)Appointment of Directors  
Induction Program  
Procedure for the Selection, Appointment and Rotation of External Auditor  
Summary of Diversity Policy  
Summary of Code of Conduct  
Summary of Policy on Continuous Disclosure  
Summary of Compliance Procedures  
Shareholder Communication and Investor Relations Policy  
Whistleblower Policy  
Securities Trading Policy  
Compliance Manual: Anti-bribery and Corruption

The Company reports below on whether it has followed each of the recommendations during the 2015/2016 financial year (**Reporting Period**). The information in this statement is current at 29 September 2016. This statement was approved by a resolution of the Board on 29 September 2016.

## Principle 1 – Lay solid foundations for management and oversight

### Recommendation 1.1

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management and has documented this in its *Board Charter*.

## **Recommendation 1.2**

The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The checks which are undertaken, and the information provided to shareholders are set out in the Company's *Policy and Procedure for the Selection and (Re)Appointment of Directors*. The Company provided shareholders with all material information in its possession relevant to a decision on whether or not to re-elect Mr Max Cozijn at the Company's 2015 Annual General Meeting in the meeting materials for that meeting, except that Mr Cozijn's term of office was disclosed in the Company's 2015 Annual Report.

## **Recommendation 1.3**

The Company has a written agreement with each director and senior executive setting out the terms of their appointment other than with the Company's former Finance Director. The Company had entered into a written agreement with former Finance Director, Max Cozijn in relation to this role as a director, but not in relation to his executive position which commenced subsequent to his appointment as a director due to an administrative oversight. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Managing Director, any of its directors, and any other person or entity who is related party of the Managing Director or any of its directors has been disclosed in accordance with *ASX Listing Rule 3.16.4* (taking into consideration the exclusions from disclosure outlined in that rule).

## **Recommendation 1.4**

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board as outlined in the Company's *Board Charter*. The Company's Secretary's role is also outlined in the Executive Service Agreement between the Company Secretary and the Company.

## **Recommendation 1.5**

The Company has a *Diversity Policy*, a summary of which is disclosed on the Company's website, but it does not include requirements for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them. Nor has the Board set measurable objectives for achieving gender diversity. Due to the Company's current operations, size and number of employees, the Board considers that there is significant difficulty in setting meaningful and realistically achievable measurable objectives for achieving diversity. The Board believes that with such few employees, there is little relevance in trying to achieve proportional diversity targets as they would be extremely difficult to define and maintain at the various levels of hierarchy in the organisation. The Board will review its position and may develop and adopt measurable objectives as the Company develops.

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation are set out in the following table. "Senior executive" for these purposes means the persons designated as senior executives by the Board.

|  | Proportion of women |
|--|---------------------|
| Whole organisation<br>(excluding non-executive Board members)  | 5 out of 13 (38%)   |
| Senior executive positions<br>(includes Executive Chair, Managing Director, Company Secretary, Director Operations - Italy and Manager of Exploration) | 0 out of 5 (0%)     |
| Board  | 0 out of 3 (0%)     |

### Recommendation 1.6

The Chair is responsible for evaluation of the Board and, when deemed appropriate, Board committees and individual directors. Evaluations are carried out in accordance with the process disclosed in the Company's *Process for Performance Evaluations*.

The process involves the Chair preparing and circulating a questionnaire. When responses are received the Chair collates, summaries and discusses the outcomes with the Board, its committees and individual directors.

The full Board in its capacity as the Nomination Committee is responsible for evaluating the Chair.

During the Reporting Period, a performance evaluation of the Chair, the Board, its committees and individual directors took place in accordance with the processes disclosed in the Company's *Process for Performance Evaluations*.

### Recommendation 1.7

The Managing Director's performance is evaluated by the Chair.

The Managing Director is responsible for evaluating the performance of senior executives, in accordance with the process disclosed in the Company's *Process for Performance Evaluations*.

The Managing Director's performance was evaluated by the Chair in accordance with the process disclosed in the Company's *Process for Performance Evaluations* subsequent to the Reporting Period (in July 2016) due to an inability to conduct the evaluation in June due to travel commitments.

The Managing Director evaluated the performance of the Company Secretary during the Reporting Period, and in accordance with the process disclosed in the Company's *Process for Performance Evaluations*. However, the remaining senior executives' performance was evaluated by the Managing Director subsequent to the Reporting Period (in July 2016) also due to an inability to conduct the evaluations in June due to the Managing Director's travel commitments.

During these evaluations, there were no key performance indicators to review, nor were any set for the period ending 30 June 2017.

## Principle 2 – Structure the board to add value

### Recommendation 2.1

The Board has not established a separate Nomination Committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Nomination Committee. Accordingly, the Board performs the role of the Nomination Committee. Although the Board has not established a separate Nomination Committee, it has adopted

a *Nomination Committee Charter*, which describes the role, composition, functions and responsibilities of the full Board in its capacity as the Nomination Committee, and is disclosed on the Company's website. When the Board convenes as the Nomination Committee it carries out those functions which are delegated to it in the Company's *Nomination Committee Charter*. Separate meetings of the full Board in its capacity as the Nomination Committee are held, and minutes of those meetings are taken. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

Details of director attendance at meetings of the full Board, in its capacity as the Nomination Committee, during the Reporting Period, are set out in a table in the Directors' Report on page 19 of the Company's 2016 Annual Report.

## **Recommendation 2.2**

During the Reporting Period, the Company developed a Board skills matrix. The Company's operations are currently focussed on exploration and development. The skills possessed by the Board support the Company while it is at this early stage of operation, and are as follows: professional skills including strategy, risk and compliance oversight, corporate governance, executive management and commercial experience; capital raising and financing experience; mining exploration, development and assessment and public company board experience. The Board is not actively looking to appoint additional directors at this time. However, the skills and diversity the Board will be looking to achieve with any future appointments include accounting qualifications and independence. Whilst the Board does not currently include a member with accounting qualifications, the Company's Group Accountant and Company Secretary attends all Board meetings as an invitee.

## **Recommendation 2.3**

The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the *Principles & Recommendations*.

The sole independent director of the Company is Marcello Cardaci. Mr Cardaci has an indirect shareholding interest as a beneficiary of the Spyder Super Fund, and a current association with the trustee of the Pollara Trust in respect of the shares it holds in the Company, which together represent less than 5% of the total issued capital of the Company. However, the Board does not consider that this indirect interest might influence, or reasonably be perceived to influence, in a material respect Mr Cardaci's capacity to bring an independent judgment to bear on issues before the Board, and to act in the best interests of the Company and its security holders generally.

The length of service of each director is set out in the Directors' Report on page 15 of the Company's 2016 Annual Report.

## **Recommendation 2.4**

The Board does not have a majority of directors who are independent. The current structure of the Board, with the skills discussed above in relation to Recommendation 2.2, is considered to be in the best interests of the Company until it reaches the next stage of development because it is a cost effective way to secure skills and expertise that will give the Company the best opportunity to develop.

## **Recommendation 2.5**

The non-independent Chair of the Board is Alexander Burns. Mr Burns is not also the Managing Director. Mr Burns is not independent because he is a substantial shareholder in the Company and because of his experience and skills he has taken on an executive role guiding the Company through this stage of its development as a mineral exploration company. As stated above, this is considered to be in the best interests of the Company until it reaches the next stage of development because it is a cost effective way to secure skills and expertise that will give the Company the best opportunity to grow.

## **Recommendation 2.6**

No new directors were appointed to the Board during the Reporting Period. However, the Company does have an induction program that it uses when new directors join the Board and when new senior executives are appointed. The goal of the program is to assist new directors to participate fully and actively in Board decision-making at the earliest opportunity and to assist senior executives to participate fully and actively in management decision-making at the earliest opportunity. The Company's *Induction Program* is disclosed on the Company's website.

The full Board in its capacity as the Nomination Committee regularly reviews whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and the Board committees. Where any gaps are identified, the full Board in its capacity as the Nomination Committee considers what training or development should be undertaken to fill those gaps. In particular, the full Board in its capacity as the Nomination Committee ensures that any director who does not have specialist accounting skills or knowledge has a sufficient understanding of accounting matters to fulfil his or her responsibilities in relation to the Company's financial statements. Directors also receive ongoing education on developments in accounting standards as required.

## **Principle 3 – Act ethically and responsibly**

### **Recommendation 3.1**

The Company has established a *Code of Conduct* for its directors, senior executives and employees, which is disclosed on the Company's website.

The Company has also adopted a *Whistleblower Policy* to encourage the reporting of violations (or suspected violations) of the Company's *Code of Conduct* and provide effective protection from victimisation or dismissal to those reporting by implementing systems for confidentiality and report handling

The Company has also established a *Compliance Manual: Anti-bribery and Corruption* to establish a governance framework and business practices to mitigate the risk of foreign bribery and corruption which arises as a consequence of conducting business in foreign jurisdictions.

## **Principle 4 – Safeguard integrity in corporate reporting**

### **Recommendation 4.1**

The Board has not established a separate Audit Committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Audit Committee. Accordingly, the Board performs the role of an Audit and Risk Committee. Although the Board has not established a separate Audit and Risk Committee, it has adopted an *Audit and Risk Committee Charter*, which describes the Audit and Risk Committee's role, composition, functions and responsibilities, and is disclosed on the Company's website. When the Board convenes as the Audit and Risk Committee it carries out those functions which are delegated to it in the Company's *Audit and Risk Committee Charter*. Separate meetings of the full Board in its capacity as the Audit and Risk Committee are held, and minutes of those meetings are taken. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Audit and Risk Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

The Company has also established a *Procedure for the Selection, Appointment and Rotation of its External Auditor*. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Board.

Details of director attendance at meetings of the full Board, in its capacity as the Audit and Risk Committee, during the Reporting Period, are set out in a table in the Directors' Report on page 19 of the Company's 2016 Annual Report.

#### **Recommendation 4.2**

Before the Board approved the Company financial statements for the half year ended 31 December 2015 and the full-year ended 30 June 2016, it received from the Managing Director and the Finance Director (for the half year ended 31 December 2015) and from the Managing Director and the Group Accountant (for the full-year ended 30 June 2016) a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated 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 (**Declaration**).

The Board did not receive a Declaration for each of the quarters ending 30 September 2015, 31 December 2015, 31 March 2016 and 30 June 2016 as its quarterly reports are not financial statements.

#### **Recommendation 4.3**

Under section 250RA of the *Corporations Act*, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered, and must arrange to be represented by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company writes to the Company's auditor to inform them of the date of the Company's annual general meeting. In accordance with section 250S of the *Corporations Act*, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chair allows a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit. The Chair also allows a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the *Corporations Act*.

A representative of the Company's auditor, Crowe Horwath attended the Company's annual general meeting held on 18 November 2015.

### **Principle 5 – Make timely and balanced disclosure**

#### **Recommendation 5.1**

The Company has established written policies and procedures for complying with its continuous disclosure obligations under the ASX Listing Rules. A summary of the Company's *Policy on Continuous Disclosure and Compliance Procedures* are disclosed on the Company's website.

### **Principle 6 – Respect the rights of security holders**

#### **Recommendation 6.1**

The Company provides information about itself and its governance to investors via its website at [www.energiaminerals.com](http://www.energiaminerals.com) as set out in its *Shareholder Communication and Investor Relations Policy*.

#### **Recommendation 6.2**

The Company has designed and implemented an investor relations program to facilitate effective two-way communication with investors. The program is set out in the Company's *Shareholder Communication and Investor Relations Policy*.



### **Recommendation 6.3**

The Company has in place a *Shareholder Communication and Investor Relations Policy* which outlines the policies and processes that it has in place to facilitate and encourage participation at meetings of shareholders.

### **Recommendation 6.4**

Shareholders are given the option to receive communications from, and send communications to, the Company and its share registry electronically. The Company's share registry, Security Transfer Australia, encourages shareholders to create an online account and provides them with information about how they may elect to provide email contact details and receive electronic communications.

## **Principle 7 – Recognise and manage risk**

### **Recommendation 7.1**

The Board has not established a separate Risk Committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Risk Committee. Accordingly, the Board performs the role of Risk Committee through its function as the Audit and Risk Committee. Please refer to the disclosure above in relation to Recommendation 4.1.

### **Recommendation 7.2**

During the Reporting Period, the Board reviewed the Company's risk management framework to satisfy itself that it continued to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board. Risk is a standing agenda item at each scheduled meeting of the Board.

### **Recommendation 7.3**

The Company does not have an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's *Risk Management Policy*.

### **Recommendation 7.4**

The Company has considered its economic, environmental and social sustainability risks and has identified the following economic risks that it has a material exposure to:

#### *Country and Regulatory Risk*

The Company's operations are in Australia and Italy, exposing the Company to the regulatory and political systems of both those countries. The Company mitigates its risk of exposure to the regulatory and political systems of those countries by engaging local expertise to assist in understanding the legal and regulatory operating environment and maintaining a regular dialogue with relevant local authorities.

#### *Financial Market Risk*

The operating and financial position of the Company is exposed to a variety of financial market risks including global and domestic business conditions, commodity prices and foreign exchange rate fluctuations. The Company monitors global commodity prices to ensure that exploration activities are appropriately targeted. In order to identify the timing of funding requirements the Company undertakes ongoing monitoring of expenditure. The exposure to foreign currency is not subject to a hedging program. Exposure to negative currency fluctuations is partially mitigated through the maintenance of a Euro denominated cash position.

As the Company is not in production, and does not have any major operations at present, the Board has concluded that the Company does not have a material exposure to any environmental and/or social sustainability risks.

## **Principle 8 – Remunerate fairly and responsibly**

### **Recommendation 8.1**

The Board has not established a separate Remuneration Committee. Given the current size and composition of the Company, the Board believes that there would be no efficiencies gained by establishing a separate Remuneration Committee. Accordingly, the Board performs the role of Remuneration Committee. Although the Board has not established a separate Remuneration Committee, it has adopted a *Remuneration Committee Charter*, which describes the role, composition, functions and responsibilities of the full Board in its capacity as the Remuneration Committee, and which is disclosed on the Company's website. When the Board convenes as the Remuneration Committee it carries out those functions which are delegated to it in the Company's *Remuneration Committee Charter*. Separate meetings of the full Board in its capacity as the Remuneration Committee are held, and minutes of those meetings are taken. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Remuneration Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

### **Recommendation 8.2**

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report and commences at page 20 of the Company's 2016 Annual Report.

### **Recommendation 8.3**

The Company's *Securities Trading Policy* includes a statement of the Board's policy that participants in the Company's equity based remuneration schemes are prohibited from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.