

FIRESTRIKE RESOURCES LIMITED
ACN 149 796 332
(Company)

Corporate Governance Statement

This Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**). The Principles and Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the Principles and Recommendations.

The Board of the Company currently has in place a Corporate Governance Plan which has been posted in a dedicated corporate governance information section of the Company's website.

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
1.	<i>Lay solid foundations for management and oversight</i>		
1.1	Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	Yes	The Directors monitor the business affairs of the Company on behalf of Shareholders and have adopted a Corporate Governance Plan which is designed to encourage Directors to focus their attention on accountability, risk management and ethical conduct. The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board. The Company's main corporate governance policies and practices are outlined at section 3.5 of the Company's replacement prospectus dated 26 May 2011 (Prospectus).
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Yes	Due to the Company's stage of development, it does not yet have any senior executives apart from the Board. However, if the Company appoints senior executives in the future, the Board will monitor the performance of those senior executives including measuring actual performance of senior executives against planned performance.

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		<p>The Board has adopted a policy to assist in evaluating the performance of senior executives, which is contained in Schedule 6 of its Corporate Governance Plan (Disclosure - Performance Evaluation).</p> <p>The Board has not established a separate nomination committee to oversee the performance evaluation of the senior executive given that it is in its early stages of development and given the current size and structure of the Board.</p> <p>Until a nomination committee is established, the Board will undertake the obligations of the nomination committee in connection with evaluating the performance of senior executives in accordance with section 6 of its Corporate Governance Plan.</p>
<p>1.3 Companies should provide the information indicated in the <i>Guide to reporting on Principle 1</i>.</p>	<p>Yes</p>	<p>The Company will explain any departures from CG Principles and Recommendations 1.1 and 1.2 in its future annual reports, including whether a performance evaluation for senior executives (if any exist at that time) has taken place in the reporting period and whether it was in accordance with the process disclosed.</p> <p>The Company has adopted a Board Charter, which discloses the specific responsibilities of the Board and provides that the Board may delegate responsibility for the day-to-day operations and administration of the Company to the chief executive officer (if appointed).</p> <p>The Board Charter is contained in Schedule 1 of the Company's Corporate Governance Plan and the Nomination Committee Charter is contained in Schedule 5 of the Company's Corporate Governance Plan. Details of the Company's Corporate Governance Plan will, in the near future, be posted in a dedicated corporate governance section on</p>

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		the Company's website at www.firestrike.com.au .
2.		<i>Structure the Board to add value</i>
2.1	No	<p>Currently the Company only has one independent Director, Paul Lloyd.</p> <p>The Company's Corporate Governance Plan outlines that the majority of the Board will be comprised of non-executive directors, and where practical, at least 50% of the Board will be independent. However, the Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the expense of an appointment of a majority of independent directors.</p> <p>The Board believes that each of the Directors can make, and do make, quality and independent judgements in the best interests of the Company. Any Director who has a conflict of interest in relation to a particular item of business must declare their conflict and abstain from voting or participating in Board deliberations to which a conflict of interest relates.</p>
2.2	No	<p>Roger Steinepreis is the non-executive Chairman and is not an Independent Director.</p> <p>The Company's Corporate Governance Plan provides that the Chairman, where practical, should be a non-executive Director.</p> <p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to require an independent Chairman. This will be reviewed as the Company develops.</p>
2.3	No	The Company has not appointed a chief executive officer. The Chairman is Roger Steinepreis. The Company intends to seek out and appoint a chief executive officer, separate from the

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			<p>role of chairman, in the future. However, due to the current limited size of the Company's operations it may not be appropriate to appoint a separate chief executive officer for some time.</p> <p>The Company's Corporate Governance Plan provides, where practical, that the chief executive officer should not be the Chairman of the Company during his term as chief executive officer or in the future.</p>
2.4	The Board should establish a nomination committee.	No	<p>A formal Nomination Committee Charter has been adopted by the Company, which is contained in Schedule 5 of the Company's Corporate Governance Plan. However, given that the Company is in its early stages of development and given the current size and structure of the Board, the Board has not established a separate nomination committee.</p> <p>Matters typically dealt with by such a committee are dealt with by the Board of Directors. The Board may also seek independent advice to assist with the identification process.</p> <p>This will be reviewed as the Company's circumstances change.</p> <p>The Nomination Committee Charter will soon be available on the Company's website at www.firestrike.com.au.</p>
2.5	Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors.	Yes	<p>The Company will put a formal process in place as and when the level of operations justifies it, however currently the Board undertakes the obligations of the nomination committee in connection with evaluating the performance of the Board, its committees and individual directors in accordance with section 6 of its Corporate Governance Plan (Performance Evaluation Practices), and will continue to do so until a nomination committee is established.</p>
2.6	Companies should provide the information indicated in the <i>Guide to reporting on Principle 2</i> .	Yes	<p>A description of the skills and experience of each of the current Directors is contained in the Directors and Key Management</p>

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			<p>section of the Investment Overview in the Prospectus.</p> <p>Given that the Company is in its early stages of development and given the current size and structure of the Board, the Company has not fully complied with Principle 2 of ASX Corporate Governance Council Principles and Recommendations. However, it will seek to do so as it develops and the Board grows.</p> <p>The Company will provide details of any new director, such as their skills, experience and expertise relevant to their position, together with an explanation of any departures from CG Principles and Recommendations 2.1, 2.2, 2.3, 2.4 and 2.5 in its future annual reports.</p>
3.	<i>Promote ethical and responsible decision-making</i>		
3.1	<p>Companies should establish a code of conduct and disclose the code or a summary of the code as to:</p> <ul style="list-style-type: none"> the practices necessary to maintain confidence in the company's integrity the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. 	Yes	<p>The Company's Code of Conduct, which is included in Schedule 2 of the Company's Corporate Governance Plan, aims to encourage the appropriate standards of conduct and behaviour of the directors, officers and employees of the Company.</p> <p>The Code of Conduct will soon be available on the Company's website at www.firestrike.com.au.</p>
3.2	<p>Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measureable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in</p>	Yes and No	<p>Due to the small scale of the Company's operations and the limited number of employees, the Company has not yet established a Diversity Policy. However, as the Company develops the Board will consider adopting such a policy.</p> <p>Under the Company's Corporate Code of Conduct, employees must not harass, discriminate or support others who</p>

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	achieving them.		harass and discriminate against colleges or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender. Such harassment or discrimination may constitute an offence under legislation. Managers should understand and apply the principles of Equal Employment Opportunity.
3.3	Companies should disclose in each annual report the measurable objectives for achieving set by the Board in accordance with the diversity policy and progress in achieving them.	Yes	The Company has not yet set measurable objectives for achieving diversity. However, these will be considered by the Board and disclosed in its next annual report.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board	Yes	The Company's future annual reports will include the proportion of woman employees within the organisation as well as women in senior positions within the Company.
3.5	Companies should provide the information indicated in the <i>Guide to reporting on Principle 3</i> .	Yes	The Company will explain any departures from CG Principles and Recommendations 3.1, 3.2, 3.3 and 3.4 in its future annual reports.
4.	<i>Safeguard integrity in financial reporting</i>		
4.1	The Board should establish an audit committee.	No	<p>A formal Audit and Risk Committee Charter has been adopted by the Company, which is contained in Schedule 3 of the Company's Corporate Governance Plan.</p> <p>Given that the Company is in its early stages of development and given the current size and structure of the Board, the Board has not established a separate audit committee. This will be reviewed as the Company develops.</p> <p>The Board will carry out the duties of the audit committee in accordance with the formal terms of reference set out in the Company's Corporate Governance Plan.</p>

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			The Audit and Risk Committee Charter will soon be available on the Company's website at www.firestrike.com.au .
4.2	The audit committee should be structured so that it: <ul style="list-style-type: none"> consists only of non-executive directors consists of a majority of independent directors is chaired by an independent chair, who is not chair of the Board has at least three members. 	No	Refer to 4.1 above.
4.3	The audit committee should have a formal charter.	Yes	A formal Audit and Risk Committee Charter has been adopted by the Company, which is contained in Schedule 3 of the Company's Corporate Governance Plan. The Audit and Risk Committee Charter will soon be available on the Company's website at www.firestrike.com.au .
4.4	Companies should provide the information indicated in the <i>Guide to reporting on Principle 4</i> .	Yes	The Company will explain any departures from the CG Principles and Recommendations 4.1, 4.2 and 4.3 in its future annual reports.
5.	<i>Make timely and balanced disclosure</i>		
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes	<p>The Company's Continuous Disclosure Policy, which is contained in Schedule 7 of the Company's Corporate Governance Plan, is designed to ensure the compliance with ASX Listing Rule disclosure and to ensure accountability at a senior executive level for compliance and factual presentation of the Company's financial position.</p> <p>The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts,</p>

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			brokers, shareholders, the media and the public. The Continuous Disclosure Policy will soon be available on the Company's website at www.firestrike.com.au .
5.2	Companies should provide the information indicated in <i>Guide to Reporting on Principle 5</i> .	Yes	The Company will provide an explanation of any departures from CG Principle and Recommendation 5.1 in its future annual reports.
6.	<i>Respect the rights of shareholders</i>		
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	Yes	<p>The Company has adopted a Shareholder Communications Strategy, contained in Schedule 10 of the Company's Corporate Governance Plan, which aims to ensure that the shareholders of the Company are informed of all major developments affecting the Company's state of affairs.</p> <p>The strategy provides that information will be communicated to shareholders through:</p> <ul style="list-style-type: none"> (a) the Annual Report delivered by post which is also placed on the Company's website; (b) the half yearly report which is placed on the Company's website; (c) the quarterly reports which are placed on the Company's website; (d) disclosures and announcements made to the ASX copies of which are placed on the Company's website; (e) notices and explanatory memoranda of Annual General Meetings (AGM) and Extraordinary General Meetings (EGM), copies of which are placed on the Company's website;

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			<p>(f) the Chairman's address and the Managing Director's address made at the AGMs and the EGMs, copies of which are placed on the Company's website;</p> <p>(g) the Company's website on which the Company posts all announcements which it makes to the ASX; and</p> <p>(h) the auditor's lead engagement partner being present at the AGM to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.</p>
6.2	Companies should provide the information indicated in the <i>Guide to reporting on Principle 6</i> .	Yes	The Company will provide an explanation of any departures from CG Principle and Recommendation 6.1 in its future annual reports.
7.	<i>Recognise and manage risk</i>		
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Yes and No	<p>Given that the Company is in its early stages of development, and given the current size and structure of the Board, the Board has not established a separate audit committee. However the Audit and Risk Committee Charter contained in the Company's Corporate Governance Plan sets out the Company's policies for the oversight and management of material business risks.</p> <p>The Board will carry out the duties of the audit committee in accordance with the formal terms of reference set out in the Company's Corporate Governance Plan.</p> <p>The Board is responsible for determining the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.</p> <p>The Audit and Risk Committee Charter will soon be available on</p>

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		the Company's website at www.firestrike.com.au .
7.2 The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Yes	The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business in addition to those identified by the Audit and Risk Committee (once established). Key operational risks and their management will be recurring items for deliberation at Board Meetings.
7.3 The Board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	No	The Board will seek the relevant assurance from the chief executive officer and chief financial officer (or their equivalents) at the relevant time.
7.4 Companies should provide the information indicated in <i>Guide to Reporting on Principle 7</i> .	Yes	The Company will provide an explanation of any departures from CG Principles and Recommendations 7.1, 7.2 and 7.3 (if any) in its future annual reports.
8. Remunerate fairly and responsibly		
8.1 The Board should establish a remuneration committee.	No	A formal Remuneration Committee Charter has been adopted by the Company, which is contained in Schedule 4 of the Company's Corporate Governance Plan. However, given that the Company is in its early stages of development and given the current size and structure of the Board, the Board has not established a separate remuneration committee. This will be reviewed as the Company's circumstances change. Until a Remuneration Committee is established, the Board will

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		<p>carry out the duties of the Remuneration Committee in accordance with the formal terms of reference of the Remuneration set out in the Company's Corporate Governance Plan.</p> <p>The Remuneration Committee Charter will soon be available on the Company's website at www.firestrike.com.au.</p>
<p>8.2 The remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> • consists of a majority of independent directors • is chaired by an independent director • has at least three members 	No	Refer to 8.1 above.
<p>8.3 Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.</p>	Yes	<p>Executive Directors remuneration packages may comprise of:</p> <ul style="list-style-type: none"> (a) salary and associated superannuation; (b) fixed directors fees; and (c) performance based bonuses. <p>Non-executive Directors receive fixed directors fees only, and do not participate in any performance-based remuneration. Fixed directors fees may be paid in the form of cash, share options or a combination of both. Share options are issued on similar terms to previous issues by the entity and are considered to be in lieu of cash, not based on performance of the entity.</p> <p>Full remuneration disclosure, including superannuation entitlements will be provided by the Company in its future annual reports.</p>
<p>8.4 Companies should provide the information indicated in the <i>Guide to reporting on Principle 8</i>.</p>	Yes	<p>The Company will provide an explanation of any departures from CG Principles and Recommendations 8.1, 8.2 and 8.3 in its future annual reports.</p>