

ENRG ELEMENTS LIMITED

ACN 149 230 811

(Company)

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement (**Statement**) is current as at 29 September 2023 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company followed the recommendations set by the ASX Corporate Governance Council in the Corporate Governance Principles and Recommendations (4th Edition) (**Recommendations**) throughout the financial year commencing on 1 July 2022 and to the date of this Corporate Governance Statement.

The Recommendations are not prescriptive, however the Recommendations that have not been followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company adopted in lieu of the recommendation. With the exception of the departures detailed in this Statement, the corporate governance practices of the Company during the reporting period were in accordance with the Recommendations.

Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas as the Board is of the strong view that, at this stage, the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's Board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

In addition to the information contained in this Statement, the Company's website at enrg-elements.com.au contains additional details of its corporate governance practices and procedures.

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
<p>Recommendation 1.1</p> <p>(a) A listed entity should have and disclose a board charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.</p>	YES	<p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board Charter also sets out requirements as to the Board's composition and required skill representation, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter is available on the Company's website.</p>
<p>Recommendation 1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a Director; and</p> <p>(a) 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.</p>	YES	<p>(a) The Company's Remuneration and Nomination Committee Charter provides guidelines for the appointment and selection of Directors and senior executives and requires the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person, or putting forward to security holders a candidate for election, as a Director.</p> <p>(b) Pursuant to the Remuneration and Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p>

RECOMMENDATIONS (4 TH EDITION)	COMPLY	EXPLANATION
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	YES	<p>The Company's Board Charter requires the Board to ensure that each Director and senior executive is personally a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company has written agreements with each of its current Directors and senior executives.</p>
<p>Recommendation 1.4</p> <p>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.</p>	YES	<p>The Board Charter outlines the roles, responsibilities and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p>	PARTIALLY	<p>(a) The Company does not have a standalone Diversity Policy but promotes diversity via several other policies including its Board Charter, Statement of Values and Remuneration and Nomination Committee Charter.</p> <p>(b) Given the current small size of the Board and Company's employee base and operations, the Board does not presently intend to set measurable gender diversity objectives.</p> <p>(c) As noted above, the Board has not presently set measurable objectives to achieve gender diversity however the Board will re-consider this matter as the business grows.</p> <p>(i) The Company's Managing Director and joint Company Secretaries are female;</p> <p>(ii) the Board has considered the potential benefit of applying the measurable diversity objectives and determined, given the small size of the Company and the Board, that requiring specified objectives to be met may unduly limit the Company from appointing the best person for the job; and</p>

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<p>(B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in the Workplace Gender Equality Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		<p>(iii) the respective proportions of women on the Board, in senior executive positions and across the whole organisation are:</p> <p>Board – 33%</p> <p>Officers (non-Board) – 66%</p> <p>Other Employees (excluding MD) – 33%</p>
<p>Recommendation 1.6</p> <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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	YES	<p>(a) The Company’s Board (in the absence of a Remuneration and Nomination Committee) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Performance Evaluation Policy which is available on the Company’s website.</p> <p>(b) The Company’s Performance Evaluation Policy requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company undertook a formal performance evaluation in respect of the Board and its individual Directors. The Company did not its Committees or individual Directors during the financial year in accordance with the above process.</p>
<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p>	YES	<p>(a) The Company’s Board (in the absence of a Remuneration and Nomination Committee) is responsible for evaluating the performance, reviewing and setting the remuneration of the Company’s senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director.</p>

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<p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>		<p>The applicable processes for these evaluations can be found in the Company's Remuneration and Nomination Committee Charter, which is available on the Company's website.</p> <p>(b) The Company undertook a performance evaluation in respect of Managing Director, Ms Caroline Keats for the financial year in accordance with the applicable process.</p>

Principle 2: Structure the Board to be effective and add value		
<p>Recommendation 2.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) 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>(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>YES</p>	<p>(a) The Company does not currently have a nomination committee. The Company's Remuneration and Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. A copy of the Remuneration and Nomination Committee Charter can be found on the Company's website.</p> <p>(b) The Company does not have a Nomination Committee as due to the small size of the Board, the Board considers that the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the full Board undertakes the duties that would ordinarily be carried out by the Nomination Committee under the Remuneration and Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:</p> <ul style="list-style-type: none"> (i) maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body; and (ii) ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.

<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.</p>	<p>YES</p>	<p>The Company has prepared a Board skills matrix setting out the mix of skills that the Board currently has (or is looking to achieve) and reviews this at least annually to ensure the Board is comprised of Directors with an appropriate mix of skills to discharge its obligations effectively, to add value and to ensure the Board has the ability to deal with new and emerging business and governance issues.</p> <p>The Company's Board skill matrix currently includes geological and technical skills, health, safety and environment, financial literacy, capital markets and investor relations knowledge and risk/compliance and legal skills.</p> <p>The Board undertakes an evaluation of the Board skills matrix on an annual basis to ensure that the Directors collectively have the skills and experience needed to execute the Company's business strategy and to identify any gaps in the skills and experience of the Board. The Board will then assess all future candidates for Board positions and the performance of its current membership on this basis.</p> <p>The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report.</p>
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors;</p> <p>(b) if a Director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position or relationship in question and an explanation of why the Board is of that opinion; and</p>	<p>YES</p>	<p>(a) The Company discloses those Directors it considers to be independent in its Annual Report. The Board considers there are currently two independent Directors, Mr James Eggins and Mr Quintin de Klerk. Ms Caroline Keats is not considered independent as she is employed in an executive capacity.</p> <p>(b) Not applicable.</p> <p>(c) The Company's Annual Report discloses the length of service of each Director, as at the end of each financial year.</p>

(c) the length of service of each Director		
Recommendation 2.4 A majority of the Board of a listed entity should be independent Directors.	YES	The Board comprises a total of three directors, two of whom, Messrs James Eggins and Quinton de Klerk are considered to be independent. Ms Caroline Keats is not considered independent as she is employed in an executive capacity.
Recommendation 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 Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director. The current Chair of the Company is an independent Director and is not the CEO/Managing Director.
Recommendation 2.6 A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.	YES	The Company's Board Charter sets out the process for the approval and review of induction and continuing professional development programs for Directors to ensure that they can effectively discharge their responsibilities. The Company's Board Charter also sets out the induction process for any new Directors.
Principle 3: Instil a culture of acting lawfully, ethically and responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values.	YES	The Company is committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board, management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards. The Company's Statement of Values is available on the Company's website.
Recommendation 3.2 A listed entity should: (a) have and disclose a code of conduct for its Directors, senior executives and employees; and (b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.	YES	(a) The Company has a Corporate Code of Conduct which applies to the Company's Directors, senior executives and employees. (b) The Company's Corporate Code of Conduct is available on the Company's website. Any material breaches of the Code of Conduct are required to be reported to the Board by the Company Secretary.

<p>Recommendation 3.3</p> <p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.</p>	<p>YES</p>	<p>The Company has a Whistleblower Protection Policy which is available on the Company's website. Subject to whistleblower laws, any material incidents reported under the Whistleblower Protection Policy are required to be reported to the Board.</p>
<p>Recommendation 3.4</p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the Board or committee of the Board is informed of any material breaches of that policy.</p>	<p>YES</p>	<p>(a) The Company has an Anti-Bribery and Anti-Corruption Policy which is available on the Company's website.</p> <p>(b) Any material breaches of the Anti-Bribery and Anti-Corruption Policy are required to be reported to the Board.</p>
<p>Principle 4: Safeguard the integrity of corporate reports</p>		
<p>Recommendation 4.1</p> <p>The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p style="padding-left: 20px;">(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p style="padding-left: 20px;">(ii) is chaired by an independent Director, who is not the Chair of the Board,</p> <p>and disclose:</p> <p style="padding-left: 20px;">(iii) the charter of the committee;</p> <p style="padding-left: 20px;">(iv) the relevant qualifications and experience of the members of the committee; and</p> <p style="padding-left: 20px;">(v) 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>YES</p>	<p>(a) The Company's Audit and Risk Committee Charter requires the establishment of an Audit and Risk Committee with at least three members, all of whom must be non-executive Directors, and a majority of the Committee must be independent Directors. The Committee must be chaired by an independent Director who is not the Chair.</p> <p>(b) The Company does not currently have an Audit Committee as due to the small size of the Board, the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board undertakes the duties that would ordinarily be carried out by the Audit Committee under the Audit and Risk Committee Charter including the processes to independently verify the integrity of the Company's periodic reports which are not audited or reviewed by an external auditor, as well as the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</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>The Board will devote time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board will be involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.</p>
<p>Recommendation 4.2 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 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>YES</p>	<p>The Company's Audit and Risk Committee Charter requires the Managing Director and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms. The Board ensures that, before it approves the entity's financial statements for a financial period, it receives declarations that the financial records of the entity have been properly maintained and that the financial statement 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 operation effectively.</p>
<p>Recommendation 4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>YES</p>	<p>The Company undertakes the following process to verify the integrity of the information in periodic corporate reports (to the extent that the information contained in the reports are not audited or reviewed by an external auditor):</p> <ul style="list-style-type: none"> (i) All periodic corporate reports are initially prepared by the Company's accounting team; (ii) Draft periodic corporate reports are initially reviewed and verified by the Managing Director; (iii) Following Managing Director review, the Company's Non-Executive Directors review the draft periodic corporate reports and are able to interrogate the accounting team and Managing Director on the content of periodic corporate reports; and

		<p>(iv) The Board receives declarations from its Managing Director and CFO that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards, 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>Pursuant to the Board Charter, all Directors have the ability to seek external advice on the content of periodic corporate reports if necessary.</p>
Principle 5: Make timely and balanced disclosure		
<p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	YES	The Company has a Continuous Disclosure Policy, which is available on the Company's website.
<p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	YES	Pursuant to the Company's Continuous Disclosure Policy, all members of the Board will receive material market announcements promptly after they have been made.
<p>Recommendation 5.3</p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	YES	All substantive investor or analyst presentations will be released on the ASX Market Announcement Platform ahead of such presentations.
Principle 6: Respect the rights of security holders		
<p>Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	YES	Information about the Company and its governance is available on the Company's website.

<p>Recommendation 6.2</p> <p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	<p>YES</p>	<p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website.</p>
<p>Recommendation 6.3</p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p>YES</p>	<p>Shareholders are encouraged to participate at all securityholder meetings of the Company via its Notice of Meeting made available to all shareholders.</p>
<p>Recommendation 6.4</p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	<p>YES</p>	<p>All substantive resolutions at securityholder meetings will be decided by a poll rather than a show of hands.</p>
<p>Recommendation 6.5</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<p>YES</p>	<p>The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the annual reports, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholder queries should be referred to the Company Secretary at first instance.</p>
<p>Principle 7: Recognise and manage risk</p>		
<p>Recommendation 7.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p>	<p>YES</p>	<p>(a) The Company does not currently have a risk committee. The Company has an Audit and Risk Committee Charter that provides for the establishment of an Audit and Risk Committee with at least three members, all of whom must be non-executive Directors, and majority of the Committee must be independent Directors. The Committee must be chaired by an independent Director who is not the Chair.</p> <p>A copy of the Audit and Risk Committee Charter is available on the Company's website.</p>

<p>(v) 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 process it employs for overseeing the entity's risk management framework.</p>		<p>(b) The Company does not have an Audit and Risk Committee as due to the small size of the Board, the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board undertakes the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to oversee the entity's risk management framework. The Board will regularly devote time at Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.</p>
<p>Recommendation 7.2</p> <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 that the entity is operating with due regard to the risk appetite set by the Board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	<p>YES</p>	<p>(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.</p> <p>(a) The Company's Audit and Risk Committee Charter requires the Company to disclose at least annually whether such a review of the Company's risk management framework has taken place. The Board is required to review the Company's risk management framework at least annually to satisfy itself that it continues 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. The Board undertook a formal review of its risk management framework during the reporting period.</p>
<p>Recommendation 7.3</p> <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>YES</p>	<p>(a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor and periodically review the need for an internal audit function, as well as assessing the performance and objectivity of any internal audit procedures that may be in place.</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 governance, risk management and internal control processes.</p>		<p>(b) The Company does not have an internal audit function. The Board considers the processes employed pursuant to the Audit and Risk Committee Charter and Risk Management Policy are sufficient for evaluating and continually improving the effectiveness of its risk management and internal control processes given the size and complexity of the current business.</p>
<p>Recommendation 7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>YES</p>	<p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks.</p> <p>The Company's Audit and Risk Committee Charter requires the Company to disclose whether it has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risk.</p> <p>Where the Company does not have material exposure to environmental or social risks, report the basis for that determination to the Board, and where appropriate benchmark the Company's environmental or social risk profile against its peers.</p> <p>The Company notes it has identified key business risks, including environmental and social risks, and how it manages those risks on pages 9 and 10 of the Annual Report.</p>
<p>Principle 8: Remunerate fairly and responsibly</p>		
<p>Recommendation 8.1 The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent Directors; and</p> <p>(ii) is chaired by an independent Director, and disclose:</p> <p>(iii) the charter of the committee;</p>	<p>YES</p>	<p>(a) The Company does not have a Remuneration Committee. The Company's Remuneration and Nomination Committee Charter that provides for the establishment of a Remuneration and Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are be independent Directors, and which must be chaired by an independent Director.</p>

<p>(iv) the members of the committee; and</p> <p>(v) 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>(a) The Company does not have a Remuneration Committee as due to the small size of the Board, the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board undertakes the duties that would ordinarily be carried out by the Remuneration and Nomination Committee under the Remuneration and Nomination Committee Charter including devoting time annually to reviewing and setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>
<p>Recommendation 8.2</p> <p>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>	<p>YES</p>	<p>The Company's Remuneration and Nomination Committee Charter requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in the remuneration report contained in the Company's Annual Report.</p>
<p>Recommendation 8.3</p> <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>NO</p>	<p>The Company has two equity-based remuneration schemes in effect, the Employee Incentive Option Plan and Employee Securities Incentive Plan. While the Securities Trading Policy prohibits key management personnel from engaging in short term trading of the Company's securities (except for the exercise of options where the shares will be sold shortly thereafter), the Board has not formalised 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 schemes.</p>
<p>Additional recommendations that apply only in certain cases</p>		
<p>Recommendation 9.1</p> <p>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</p>	<p>N/A</p>	<p>Board meetings are held in English. The Company does not have any non-English speaking Directors, however as set out in the Company's Board Charter, should the Company have a non-English speaking Director, processes will be adopted to ensure that the Director understands and can contribute to discussions at those meetings and understand and discharge their obligations in relation to those documents.</p>

<p>Recommendation 9.2</p> <p>A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.</p>	<p>N/A</p>	
<p>Recommendation 9.3</p> <p>A listed entity established outside Australia, and an externally managed 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.</p>	<p>N/A</p>	