

CORPORATE GOVERNANCE STATEMENT

The Board is responsible for establishing the Company's corporate governance framework, the key features of which are set out below. In establishing its corporate governance framework, the Board has referred to the 4th edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

In accordance with ASX Listing Rule 4.10.3, the corporate governance statement discloses the extent to which the Company follows the recommendations. The Company will follow 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 will 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 will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at www.srj-technologies.com/investors and www.srj-technologies.com/sustainability

- (a) Board Charter
- (b) Code of Conduct;
- (c) Audit and Risk Management Committee Charter;
- (d) Remuneration and Nomination Committee Charter;
- (e) Performance Evaluation Policy;
- (f) Risk Management Policy;
- (g) Trading Policy;
- (h) Continuous Disclosure Policy;
- (i) Diversity Policy;
- (j) Policy on Selection, Appointment and Rotation of External Auditors Policy;
- (k) Shareholder Communication Policy;
- (l) Whistleblower Policy;
- (m) Anti-bribery and Anti-Corruption Policy;
- (n) Social Media Policy;
- (o) Child and Forced Labour Policy;
- (p) Equal Opportunities Policy; and
- (q) Environmental Policy.

The Corporate Governance Statement is accurate and up to date as at 31 December 2021 and has been approved by the board on 31 March 2022.

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Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1

A listed entity should have and disclose a board charter setting out:

- (a) the respective roles and responsibilities of its board and management; and***
- (b) those matters expressly reserved to the board and those delegated to management.***

Disclosure:

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.

The responsibilities of the Board include but are not limited to:

- (a) providing leadership and setting the strategic objectives of the Company;
- (b) appointing and when necessary replacing the Executive Directors;
- (c) approving the appointment and when necessary replacement, of other senior executives;
- (d) undertaking appropriate checks before appointing a director or senior executive, or putting forward to security holders a candidate for election, as a Director;
- (e) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (f) approving operating budgets and major capital expenditure;
- (g) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (h) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (i) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and
- (j) monitoring the effectiveness of the Company's governance practices.

In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, shareholders, co-ventures, the government and the community.

The Board has delegated responsibility for the business operations of the Company to the Chief Executive Officer and the management team. The management team, led by the Chief Executive Officer is accountable to the Board.

Recommendation 1.2

A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and***
- (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.***

Disclosure:

The Company undertakes appropriate checks before appointing a director and senior executive 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 a director.

The checks which are undertaken, and the information provided to shareholders, are set out in the Company's Remuneration and Nomination Committee Charter.



Recommendation 1.3

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

Disclosure:

The Company has a written agreement with each of the Directors setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement with the Company, or any of its child entities, that has been entered into with its Chief Executive Officer are disclosed to the ASX as required by ASX Listing Rule 3.16.4, and amended from time to time.

The material terms of any agreements entered into with directors and senior executives is disclosed in the annual report released by the Company. While the Company is not required to disclose the remuneration of executives under Jersey Law, the Company has adopted the policy of full disclosure to ensure securityholders are fully informed.

Recommendation 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.

Disclosure:

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:

- (a) ensuring a good flow of information between the Board, its committees, and Directors;
- (b) monitoring policies and procedures of the Board;
- (c) advising the Board through the Chairman of corporate governance policies; and
- (d) conducting and reporting matters of the Board, including the dispatch of Board agendas, briefing papers and minutes.

Recommendation 1.5

A listed entity should:

- (a) have and disclose a diversity policy;***
- (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***
- (c) disclose in relation to each reporting period:***
 - 1. the measurable objectives set for that period to achieve gender diversity;***
 - 2. the entity's progress towards achieving those objectives; and***
 - 3. either:***
 - (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***
 - (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 and published under that Act.***



Disclosure:

The Company is committed to workplace diversity through acting in fairness and without prejudice. The Company believes that decision-making is enhanced through diversity and supports and encourages diversity at all levels of the organization. The Company has adopted a Diversity Policy which provides a framework for the Company to establish, achieve and measure diversity objectives, including in respect of gender diversity. The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.

The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to continually monitor both the objectives if any have been set and the Company's progress in achieving them.

Given the size of the Company, the Directors do not consider it appropriate to set measurable objectives in relation to diversity. Notwithstanding this the Company strives to provide the best possible opportunities for current and prospective employees of all backgrounds in such a manner that best adds to overall shareholder value and which reflects the values, principles and spirit of the Company's Diversity Policy.

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) for the past financial year is disclosed below.

As at 31 December 2021:

- Of the four Board positions all were held by males
- Of the five Senior Executives* positions one (20%) was female
- Of the 17 total employees, officers and directors 2 (12%) are female and 14 male (88%)

*Senior Executive defined as a member of the Executive Management team led by the CEO

Recommendation 1.6

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and***
- (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.***

Disclosure:

The Chair will be responsible for evaluating the performance of the Board, Board committees and individual directors in accordance with the process disclosed in the Company's performance evaluation policy.

This policy is to ensure:

- (a) individual Directors and the Board as a whole work efficiently and effectively in achieving their functions;
- (b) the executive Directors and key executives execute the Company's strategy through the efficient and effective implementation of the business objectives; and
- (c) committees to which the Board has delegated responsibilities are performing efficiently and effectively in accordance with the duties and responsibilities set out in the board charter.

This policy will be reviewed annually. A performance evaluation was conducted informally in the year ended 31 December 2021.

Recommendation 1.7

A listed entity should:

- (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and**
- (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.**

Disclosure:

The Board will be responsible for evaluating the performance of the Company's senior executives in accordance with the process disclosed in the Company's performance evaluation policy.

The Chair will be responsible for evaluating the performance of the Company's Chief Executive Officer in accordance with the process disclosed in the Company's Process for Performance Evaluations,

A performance evaluation was held informally in the year ended 31 December 2021.

Principle 2: Structure the board to add value

Recommendation 2.1

The board of a listed entity should:

- (a) have a nomination committee which:**
 - 1. has at least three members, a majority of whom are independent directors; and**
 - 2. is chaired by an independent director, and disclose:**
 - 3. the charter of the committee;**
 - 4. the members of the committee; and**
 - 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (b) if it does not have 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.**

Disclosure:

The Remuneration and Nomination Committee consists of three Non-Executive Directors and assists the Board to:

- address succession issues;
- ensure that they have the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively;
- determine executive remuneration policy,
- determine the remuneration of Executive Directors;
- review and approve the remuneration of Senior Management.; and
- review and approve any executive incentive plans and employee Equity based plans

The Remuneration and Nomination Committee operates under a written charter that is published on the Company's website. The independent members of the committee are as follows:

- Robin Pinchbeck (Chair)
- Andrew Mitchell
- Grant Mooney

Mr Pinchbeck, Mr Mitchell and Mr Mooney are all deemed to be independent directors.

The experience and qualifications of each member and details of meeting attendance are set out in the Directors' Profiles on our website.

During the year ended 31 December 2021 the committee met once.



Recommendation 2.2

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.

Disclosure:

The Directors are all professionals with experience in different areas relevant to the Company's business. The Company is committed to ensuring the Board is comprised of Directors who possess the appropriate mix of skills, expertise and diversity to adequately discharge its responsibilities and duties.

Over the reporting period, through the use of a Board skills matrix the Board assessed the need for additional or new Directors and the value the current Directors bring to the Board. The mix of skills comprised in the current Board, and that the Board would look to maintain and to build on, includes:

- Energy sector experience;
- technical expertise (including accounting, legal, exploration and mining operations);
- governance and risk management;
- debt and equity fundraising experience;
- high level of business acumen; and
- appropriate team orientated behavioural characteristics.

In saying that, the Board structure and composition will be reviewed as and when the company's strategic direction and activities change. The Company will only recommend the appointment of additional Directors to your Board where it believes the expertise and value added outweighs the additional costs.

The Board Skills Matrix sets out the skills and experience which, in the opinion of the Directors of SRJ, are required for the proper functioning of the Board of SRJ. It is available in the Investor section of our website (www.srj-technologies.com/investors)

Recommendation 2.3

A listed entity should disclose:

- the names of the directors considered by the board to be independent directors;***
- if a director has an interest, position 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 or relationship in question and an explanation of why the board is of that opinion; and***
- the length of service of each director.***

Disclosure:

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

Currently the Board is structured as follows:

Name	Position	Independent	Date Appointed	Date Resigned
Robin Pinchbeck	Non-Executive Chairman	Yes	19/11/2019	-
Alexander Wood	Executive Director	No	29/4/2014	-
Andrew Mitchell	Non-Executive Director	Yes	18/6/2020	-
Grant Mooney	Non-Executive Director	Yes	2/6/2020	-



Non-independent Directors:

Alexander Wood is an executive director of the Company and is therefore a non-independent director.

Independent Directors:

Robin Pinchbeck is an independent, non-executive Chairman, Andrew Mitchell and Grant Mooney are independent, non-executive directors.

Recommendation 2.4

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

Disclosure:

The majority of the Board members are independent and the Board considers that the technical expertise of the Directors is appropriate at this stage of the Company's operations.

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.

Disclosure:

Robin Pinchbeck is an independent Chairman of the Board. Alexander Wood is the CEO.

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.

Disclosure:

Upon appointment to the Board new Directors are provided with Company policies and procedures and are provided an opportunity to discuss the Company's operations with senior management and the Board.

The Company encourages its Directors to participate in professional development opportunities presented to the Company and provides appropriate industry information to its Board members on a regular basis.

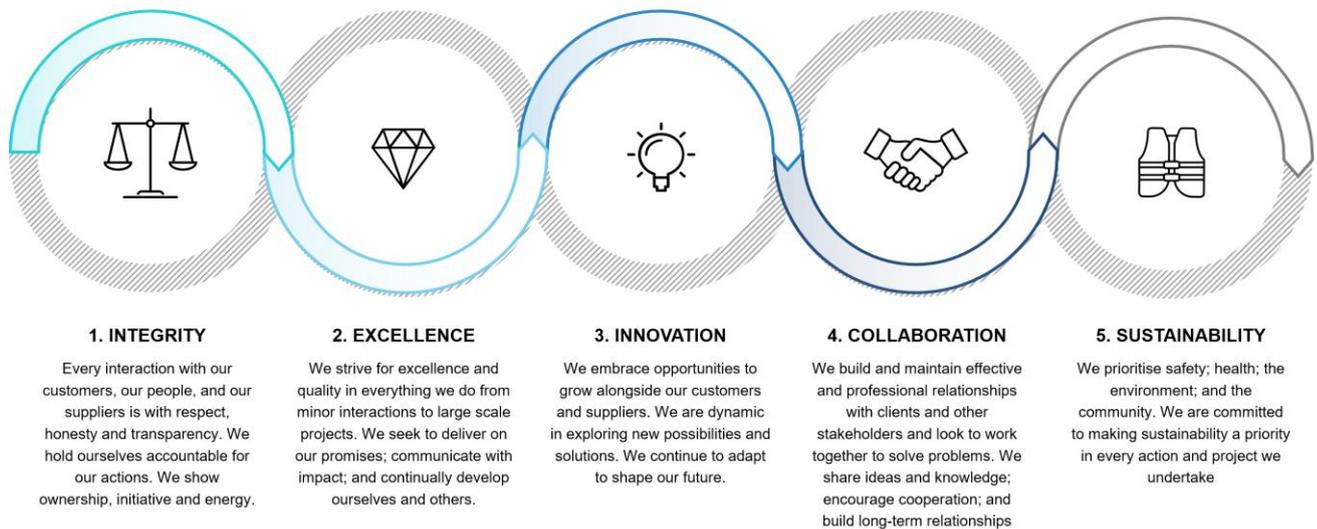
Principle 3: Act ethically and responsibly

Recommendation 3.1

A listed entity should articulate and disclose its values.

Disclosure:

SRJ is guided by a universal set of values that describe the focus of our efforts. It provides the foundation upon which all our decisions and actions are based. These core values are fundamental to how we operate. Doing what is right and living by these values will enable us to deliver to the best of our abilities for all stakeholders.



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.***

Disclosure:

The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (Code), which addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. The policy is available, as part of the Corporate Governance Plan, on the Company's website. It may be amended from time to time by the Board.

The Code applies to all Directors, employees, contractors and officers of the Company and the Board are made aware of any material breaches of the Code. The Code will be formally reviewed by the Board each year.

Recommendation 3.3

A listed entity should:

- (a) have and disclose a whistleblower policy; and***
- (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.***

Disclosure:

The Company has adopted a Whistleblower Policy which provides a framework for the Company to

- help detect and address Improper Conduct;
- maintain a working environment in which Employees are able to raise concerns regarding instances of Improper Conduct (where there are reasonable grounds to suspect such conduct) without fear of intimidation, disadvantage or reprisal;
- outline the procedures for reporting and investigating reported matters;
- outline the measures in place to protect people who report Improper Conduct.

The Whistleblower Policy is available, as part of the Corporate Governance Plan, on the Company's website.

Recommendation 3.4

A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and**
- (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.**

Disclosure:

The Company has adopted an Anti-bribery and Corruption Policy which provides a framework for the Company to maintain a high standard of integrity, investor confidence and good corporate governance. This Policy is a critical component of SRJ's delivery on its strategic goal of enduring trust, integrity and resilience.

The policy is available, as part of the Corporate Governance Plan, on the Company's website.

Principle 4: Safeguard integrity in corporate reporting

Recommendation 4.1

The board of a listed entity should:

- (a) have an audit committee which:**
 - 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and**
 - 2. is chaired by an independent director, who is not the chair of the board,**
 - 3. and disclose:**
 - 4. the charter of the committee;**
 - 5. the relevant qualifications and experience of the members of the committee; and**
 - 6. in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.**

Disclosure:

The Audit and Risk Committee consists of three independent Non-Executive Directors and is responsible for reviewing the integrity of the Company's corporate reporting and overseeing the independence of the external auditors:

The Audit and Risk Committee operates under a written charter that is published on the Company's website. The independent members of the committee are as follows:

- Grant Mooney (Chair)
- Andrew Mitchell
- Robin Pinchbeck

The experience and qualifications of each member and details of meeting attendance are set out in the Directors' profiles on our website and in the Company's annual report. The Audit and Risk Committee met 3 times during the year.

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, 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.

Disclosure:

Before the Board approves the Company financial statements for each financial period it will receive from the Chief Executive Officer and the Chief Financial Officer 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.

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.

Disclosure:

The responsible party (whether the Chief Executive Officer or the Financial Officer) prepares the relevant report which is then reviewed by the Company Secretary before being circulated to the Board. The Board then review the documents before releasing to the ASX. This process ensures the financial and technical content is accurate, balanced and understandable. Where appropriate, information contained in corporate reports is referenced to supporting documents and sources.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

Disclosure:

The Company is committed to:

- (a) ensuring that shareholders and the market are provided with full and timely information about its activities;
- (b) complying with the continuous disclosure obligations contained in the Listing Rules and the applicable sections of the Corporations Act (if applicable); and
- (c) providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

The Company has adopted a Continuous Disclosure Policy. The policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. The policy is available, as part of the Corporate Governance Plan, on the Company's website.

The Company Secretary manages the policy. The policy will develop over time as best practice and regulations change and the Company Secretary will be responsible for communicating any amendments. This policy will be reviewed by the Board annually.

Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

Disclosure:

Under the Company's Continuous Disclosure Policy (which forms part of the Corporate Governance Plan), The responsible party (whether the Chief Executive Officer or the Financial Officer) prepares the relevant report which is then reviewed by the Company Secretary before being circulated to the Board. The Board then review the documents before the Company Secretary is authorized to release the announcement to the ASX. All members of the Board are advised when a material market announcement is being made.

Recommendation 5.3

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.

Disclosure:

All substantive investor or analyst presentations are released on the ASX Markets Announcement Platform ahead of such presentations.

Principle 6: Respect the rights of security holders

Recommendation 6.1

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

Disclosure:

The Company provides information about itself and its governance to investors via its website at www.srj-technologies.com/investors. The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company's shareholders informed about the Company. In particular, where appropriate, after confirmation of receipt by ASX, the following will be posted to the Company website:

- (a) relevant announcements made to the market via ASX;
- (b) media releases;
- (c) investment updates;
- (d) Company presentations and media briefings;
- (e) copies of press releases and announcements for the preceding three years; and
- (f) copies of annual and half yearly reports including financial statements for the preceding three years.

Recommendation 6.2

A listed entity should have an investor relations program that facilitates effective two-way communication with investors.

Disclosure:

The Company has a Shareholder Communication Policy which aims to ensure that Shareholders are informed of all major developments of the Company.

Information is communicated to Shareholders via:

- (a) reports to Shareholders;
- (b) ASX announcements;
- (c) annual general meetings; and
- (d) the Company website.

This Shareholder Communication policy will be formally reviewed by the Board each year. While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional information.

To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, the Company has made available a telephone number and relevant contact details available on each ASX announcement for Shareholders to make their enquiries.

Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

Disclosure:

The Board encourages full participation of Security holders at meetings to ensure a high level of accountability and identification with the Company's strategies and goals. Security holders are provided with an opportunity to ask questions at the meeting, and are also requested to provide questions ahead of the meeting for the Chairman of the meeting to address. Where appropriate, the Company use technology to allow Securityholders from various geographical regions to dial into any meeting.

Recommendation 6.4

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.

Disclosure:

All resolutions of a substantive nature are determined via a poll.

Recommendation 6.5

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

Disclosure:

Security holders are given the option to receive communications from, and send communication to, the Company and its share registry electronically. Security holders can obtain all relevant information to assist them in exercising their rights as shareholders, by contacting the registry on the contact details provided by the Company, and security holders can also contact the registry via their website.

Principle 7: Recognise and manage risk

Recommendation 7.1 and 7.2

The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

- 1. has at least three members, a majority of whom are independent directors; and***
- 2. is chaired by an independent director,***

and disclose:

- 3. the charter of the committee;***
- 4. the members of the committee; and***
- 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or***

(b) if it does not have 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.

The board or a committee of the board should:

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and***
- (b) disclose, in relation to each reporting period, whether such a review has taken place.***

Disclosure:

The Audit and Risk Committee consists of three Non-Executive Directors and is responsible for reviewing the integrity of the Company's corporate reporting and overseeing the independence of the external auditors:

The Audit and Risk Committee operates under a written charter that is published on the Company's website. The independent members and independent chair of the committee are as follows:

- Grant Mooney (Chair)
- Andrew Mitchell
- Robin Pinchbeck

The Audit and Risk Committee met 3 times during the year.

The risk management system covers:

- (a) operational risk;
- (b) financial reporting;
- (c) compliance / regulations; and
- (d) system / IT process risk.

A risk management model is to be developed and will provide a framework for systematically understanding and identifying the types of business risks threatening the Company as a whole, or specific business activities within the Company.

The Board will review the Company's risk management framework 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.

Arrangements put in place to monitor risk management include, but are not limited to:

- (a) monthly reporting to the Board in respect of operations and the financial position of the Company; and
- (b) quarterly rolling forecasts prepared.

An evaluation of the Company's risk is performed on a regular basis, with any risk identified and discussed in each board meeting.

Recommendation 7.3

A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or***
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.***

Disclosure:

Given the size of the Company, there is no need for an internal audit function however, the Company will consider establishing an internal audit function in the future as the Company expands.

The Company monitors, evaluates and improves its risk management and internal control processes in line with the processes set out in its Audit and Risk Management Committee Charter. The Board performs a review on a regular basis.

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.

Disclosure:

The Company is both a product and service company involved in the oil and gas, mining etc sectors, and as such has exposure to the risks associated with those industries including commodity prices, environmental risks etc.

The Company takes active steps to reduce its exposure to such risks where possible. The Company does not consider it has significant exposure to environmental risks such as global warming. The Board continues to monitor and review the risks and its exposure on a periodic basis.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1

The board of a listed entity should:

(a) have a remuneration committee which:

- 1. has at least three members, a majority of whom are independent directors; and***
- 2. is chaired by an independent director, and disclose:***

3. the charter of the committee;

4. the members of the committee; and

5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(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.

Disclosure:

The Remuneration and Nomination Committee consists of three independent Non-Executive Directors and assists the Board to:

- address succession issues;
- ensure that they have the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively;
- determine executive remuneration policy,
- determine the remuneration of Executive Directors;
- review and approve the remuneration of Senior Management.; and
- review and approve any executive incentive plans and employee Equity based plans

The Remuneration and Nomination Committee operates under a written charter that is published on the Company's website. The independent members of the committee are as follows:

- Robin Pinchbeck (Chair)
- Andrew Mitchell
- Grant Mooney

The Remuneration Committee met once during the year.



Recommendation 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.

Disclosure:

The details of Executive Directors are disclosed to the ASX when necessary.

Non-Executive Directors are remunerated at a fixed monthly fee for their time and their responsibilities to various committees and are eligible for additional fees on an hourly basis for work outside of their normal responsibilities, with the approval of the Chairman of the Board.

The Non-Executive Directors are however eligible to participate in the Company's incentive plan. The Board considers that this is a necessary motivation to attract the highest calibre candidates to the Board at this stage in the Company's operations.

A program of regular performance appraisals and objective setting for key executives and staff is being implemented. These annual reviews take into account individual and company performance, market movements and expert advice. The Remuneration and Nominations Committee determines any changes to the remuneration of key executives on an annual basis. They also determine and review compensation arrangements for the directors and the executive team.

Recommendation 8.3

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

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and***
- (b) disclose that policy or a summary of it.***

Disclosure:

The Company maintains a Securities Trading Policy which restricts the permission for employees and directors to enter transactions which limit the economic risks associated with the participation in the Company's equity based incentive scheme.

Security Trading Policy

In accordance with ASX Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:

- (a) closed periods in which directors, employees and contractors of the Company must not deal in the
- (b) Company's securities;
- (c) trading in the Company's securities which is not subject to the Company's trading policy; and
- (d) the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Security Trading Policy is available on the Company's website.

Recommendation 9.2

A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.

Disclosure:

The Company is incorporated in Jersey, but endeavours to hold security holder meetings which are accessible to the broadest range of securityholders across as many geographical locations as possible.

Recommendation 9.3

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.

Disclosure:

The Company makes available its auditor to answer questions from securityholders at its AGM and provides an opportunity for securityholders to send their questions to the Company ahead of any AGM to pass on to the auditors.