



ASX AND MEDIA RELEASE

29 September 2015

Appendix 4G and 2015 Corporate Governance Statement

Please find attached the Appendix 4G and 2015 Corporate Governance Statement in accordance with Listing Rules 4.7.3, 4.7.4 and 4.10.3.

-Ends-

For more information please contact:

ZipTel Limited

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About ZipTel

ZipTel is an Australian owned and operated telecommunications business focused on providing international roaming and calling solutions to the consumer, using state of the art technologies developed and wholly owned by ZipTel Limited. ZipTel listed on the ASX in July 2014 with its core focus primarily on the distribution of three core communications products, both domestically and internationally.

About ZipT

ZipT is a mobile-based international communication App that enables consumers to send SMSs and make international calls for free between users. The App can also call any landline or mobile at some of the world's lowest call rates. ZipT delivers crystal clear sound quality in lower bandwidth data environments and allows consumers to retain their existing phone number, service provider and SIM card, with no lock-in contracts. ZipT does not require a SIM card and can be installed on any smartphone or tablet on compatible platforms. ZipT uses less data than similar products already available on the market, and can be used over Wi-Fi or any mobile network.

For more information visit www.zipt.com.

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

ZipTel Limited

ABN / ARBN:

41 108 042 593

Financial year ended:

30 June 2015

Our corporate governance statement² for the above period above can be found at:³

- These pages of our annual report:
- This URL on our website: <http://www.ziptel.com.au/corporate-info/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 29 September 2015 and has been approved by the board.

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

Date: 29 September 2015

Print name: Bert Mondello

Signature:



Director / Company Secretary

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

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

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

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

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

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

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<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, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
		OR <input type="checkbox"/> at this location: [insert location here]	OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://www.ziptel.com.au/corporate-info/corporate-governance/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...	
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://www.ziptel.com.au/corporate-info/corporate-governance/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at this location: http://www.ziptel.com.au/corporate-info/corporate-governance/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://www.ziptel.com.au/corporate-info/corporate-governance/	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders:	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: [insert location here] [If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input checked="" type="checkbox"/> at http://www.ziptel.com.au/corporate-info/corporate-governance/</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation therefore not applicable</p>
8.2	<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>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://www.ziptel.com.au/corporate-info/corporate-governance/ and 2015 Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at this location: [insert location here]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

CORPORATE GOVERNANCE STATEMENT

ZipTel Limited ('**ZipTel**' or the '**Company**') Directors and management are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance.

The Company's corporate governance policies and charters and policies are all available on the Company's website (www.ziptel.com.au) (the "website").

This statement is current as at 29 September 2015 and was approved by the Board on that date. The following table sets out the Company's position with regards to its compliance with ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition):

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
1.	<i>Lay solid foundations for management and oversight</i>		
1.1	A listed entity should disclose: a) The respective roles and responsibilities of its board and management and, b) Those matters expressly reserved to the board and those delegated to management	Complying	The Board has adopted a charter which establishes the role of the Board and its relationship with management. The primary role of the Board is the protection and enhancement of long term Shareholder value. Its responsibilities include the overall strategic direction of the Company, establishing goals for management and monitoring the achievement of these goals.
1.2	A listed entity should a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and b) Provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director	Complying	The Company undertakes a comprehensive screening and verification process prior to appointing a director, or putting that person forward as a candidate to ensure that person is competent, experienced, and would not be impaired in any way from undertaking the duties of director. The Company provides relevant information to shareholders for their consideration about the attributes of candidates together with whether the Board supports the appointment or re-election.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complying	Each Director is given a letter upon his or her appointment which outlines the Director's duties, obligations, remuneration, expected time commitments and notification of the Company's policies. The Company has in place systems designed to fairly review and actively encourage enhanced Board and management effectiveness. Similarly senior executives have a formal job description and services agreement describing their term of office, duties, rights, and responsibilities and entitlements on termination. The Company will disclose the material terms of any employment service or consultancy agreement if enters into with its CEO (or equivalent)

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
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	Complying	The Company Secretary is responsible for co-ordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies, ASX and all statutory and other filings. The Company Secretary is accountable to the Board, and all Directors have access to the Company Secretary. The decision to appoint or remove the Company Secretary is to be made or approved by the Board.
1.5	A listed entity should: <ul style="list-style-type: none"> 1. Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; 2. Disclose that policy or a summary of it; and 3. Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: <ul style="list-style-type: none"> 1) The respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or 2) If the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act 	Part-Complying	The Board has contemplated the necessity of implementing a diversity policy. Noting the relatively small size of the Company and the fact that the Company has only a small number of employees, the Board has resolved to depart from the Recommendations by not implementing a gender diversity policy. Whilst the Company has not set formal measurable objectives for achieving gender diversity, at such time that the Company seeks to establish and expand its workforce, the Company will be committed to the principles of employing people with a broad range of experiences, skills and views.
1.6	A listed entity should: <ul style="list-style-type: none"> a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 	Part-Complying	Given the current size of the Company, Board and level of activity of the Company, the Board currently has an informal process for the evaluation of individual Directors or committees. The performance of the Board and key executives is reviewed regularly. The performance criteria against which Directors and executives assessed are aligned with the financial and non-financial objectives of the Company. Directors whose performance is consistently unsatisfactory may be asked to retire. The Company will consider the implementation of formal processes in the future, particularly as the size of the Company, Board and the level of activity of the Company increase.

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
1.7	<p>A listed entity should:</p> <p>a) Have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process</p>	Complying	<p>The Chief Executive Officer evaluates the performance of the other Senior Executives. The evaluation process is intended to assess the Company's business performance, whether long-term strategic objectives are being achieved and the achievement of individual performance objectives.</p> <p>The performance of the Managing Director and Senior Executives are monitored on an informal basis throughout the year and a formal evaluation is performed annually.</p>
2.	Structure the board to add value		
2.1.	<p>The board of a listed entity should:</p> <p>a) Have a nomination committee which:</p> <ol style="list-style-type: none"> 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 <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>	Part-Complying	<p>No formal nominations committee has been established by the Company as yet.</p> <p>The Board has formed a Non-Executive Directors Committee which, amongst other tasks, has assumed the role and responsibility of the nominations committee. The Board as a whole also undertakes the process of reviewing the skill base and experience of existing Directors to enable identification of attributes required in new Directors.</p> <p>Given the size and nature of the Company's activities, the Board does not believe that any marked efficiencies or enhancements would be achieved by the creation of a separate nomination committee.</p>
2.2.	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Part-Complying	<p>Whilst the Company does not currently disclose a board skills matrix setting out the mix of skills of the Directors, the following information is set out in the Company's Annual Report:</p> <p>The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report.</p>
2.3.	<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, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>c) The length of service of each director.</p>	Complying	<p>During the year, the Board comprised of four Directors, Mr Joshua Hunt (Non-Executive Chairman), Mr Umberto Mondello (CEO/Executive Director), Mr Keaton Wallace (Executive Director) and Mr Salvatore Vallelonga (Non-Executive Director).</p> <p>The Board has considered that circumstances of each Director and determined that Directors Mr Joshua Hunt and Mr Salvatore Vallelonga were independent as described in Box 2.3 of the Recommendations.</p> <p>All of the current Board were appointed on 12 June 2014.</p>

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
2.4.	A majority of the board of a listed entity should be independent directors	Not-Complying	Given the Group's present size and scope, it is currently not Company policy to have a majority of independent Directors. Directors have been selected to bring specific skills and industry experience to the Company. The Board has an expansive range of relevant industry experience, financial, legal and other skills and expertise to meet its objectives. The current board composition includes two independent Directors and two non-independent Directors.
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	Complying	Mr Joshua Hunt is the independent chair of the board. Mr Umberto Mondello is the CEO.
2.6.	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors respectively.	Complying	The Company has procedures and policies in place to assist Directors in fulfilling their responsibilities. As Directors join the Board, they undertake a comprehensive induction program, which includes information on the Company's core values, key strategies, objectives, as well as its governance framework and operations. New Directors also meet with key senior management to gain a better appreciation of the Group's services and capabilities. Each director, at any time, is able to seek reasonable independent professional advice on any business-related matter at the expense of the Company. Directors also have access to adequate internal resources to seek any information from any officer or employee of the Group, or to require the attendance of management at meetings to enable them as Directors to fulfil their duties.
3.	Promote ethical and responsible decision-making		
3.1.	A listed entity should: a) Have a code of conduct for its directors, senior executives and employees; and b) Discloses that code or a summary of it.	Complying	The Company has formulated a Code of Conduct which can be viewed at the registered office of the Company. The Code of Conduct has the commitment of the Directors and senior management to ensure practices are operating that are necessary to maintain confidence in the Company's integrity and responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
4.	<i>Safeguard integrity in financial reporting</i>		
4.1.	<p>The board of a listed entity should:</p> <p>a) Have an audit committee which:</p> <ol style="list-style-type: none"> Has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and Is chaired by an independent director, who is not the chair of the board, and disclose: The charter of the committee; The relevant qualifications and experience of the members of the committee; and 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>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>	Part-Complying	<p>The Board has not established an audit committee. However, the Board has established a Non-Executive Directors Committee that assumes the role of the audit committee.</p> <p>The Non-Executive Directors Committee meets at least annually to deal with the audit committee's responsibilities, and operates under a charter approved by the Board.</p> <p>It is the Board's responsibility to ensure that an effective internal control framework exists within the Company.</p>
4.2.	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Complying	<p>The Directors are committed to the preparation of financial statements that present a balanced and clear assessment of the Group's financial position and prospects.</p> <p>The Board reviews the Group's half yearly and annual financial statements. The Board requires that the Chief Executive Officer and the CFO/Company Secretary state in writing to the Board that the Group's financial reports present a true and fair view, in all material respects, of the Group's financial condition and operational results and are in accordance with relevant accounting standards 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>
4.3.	<p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit</p>	Complying	<p>Shareholders are encouraged to attend the Company's Annual General Meeting, at which the Company requests the attendance of its auditors.</p> <p>Shareholders are given an opportunity to ask questions of the Company's auditors regarding the conduct of the audit and preparation and content of the auditor's report.</p>

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
5.	<i>Make timely and balanced disclosure</i>		
5.1.	A listed entity should: a) Have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and b) Disclose that policy or a summary of it	Complying	The Company has Market Disclosure & Shareholder Communication Policy, which has established procedures designed to ensure compliance with the Corporations Act and ASX Listing Rules disclosure requirements and to ensure accountability at a senior management level for compliance and factual presentation of the Company's financial position. The Company Secretary is responsible for all communicated with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX and shareholders.
6.	<i>Respect the rights of shareholders</i>		
6.1.	A listed entity should provide information about itself and its governance to investors via its website	Complying	The Board informs shareholders of all major developments affecting the Group's state of affairs as follows: 1. Placing all relevant announcements made to the market, on the Website after they have been released to ASX; 2. Publishing all corporate governance policies and charters adopted by the Board on the Website; 3. Releasing information provided to analysts or media during briefings to ASX and placing such information on the Website; and 4. Placing the full text of notices of meeting and explanatory material on the Website.
6.2.	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors	Complying	The Company's Corporate Governance Plan includes a Continuous Disclosure Compliance Policy and a Risk Management Policy, which aims to ensure that Shareholders are informed of all major developments affecting the Company's state of affairs. The policy provides that information will be communicated to Shareholders through: 1. the Annual Report which is distributed to Shareholders; 2. Half-Yearly Reports, Quarterly Reports and all other ASX announcements; 3. the Annual General Meeting and other meetings so called to obtain approvals for Board action as appropriate; and compliance with the continuous disclosure requirements of the ASX Listing Rules.

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
6.3.	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders	Complying	Shareholders are encouraged to attend the Company's Annual General Meeting. The AGM is an opportunity for shareholders to hear the CEO and chairman provide updates on Group performance, ask questions of the Board and vote on the various resolutions affecting the business. Shareholders are given an opportunity to ask questions of the Company's auditors regarding the conduct of the audit and preparation and content of the auditor's report.
6.4.	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically	Complying	Investors are able to communicate with the Company electronically via the Website or by emailing the Company Secretary. Investors are also able to communicate with the Company's registry electronically by emailing the registry or via the registry's website.
7.	Recognise and manage risk		
7.1.	<p>The board of a listed entity should:</p> <p>a) Have a committee or committees to oversee risk, each of which:</p> <p>1) Has at least three members, a majority of whom are independent directors; and</p> <p>2) Is chaired by an independent director, and disclose:</p> <p>3) The charter of the committee</p> <p>4) The members of the committee; and</p> <p>5) As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>b) If it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	Complying	<p>The Board has not established a risk committee. However, the Board has established a Non-Executive Directors Committee that assumes the role of the risk committee.</p> <p>The Company's Corporate Governance Plan includes a Risk Management Policy.</p> <p>The Board has responsibility for monitoring risk oversight and ensure that the Chairman reports on the status of business risks through risk management programs aimed at ensuring risks are identified, assessed and appropriately managed. In addition, the Board is responsible for reviewing the risk management framework and policies for the Company.</p>
7.2.	<p>The board or a committee of the board should:</p> <p>a) Review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>b) Disclose, in relation to each reporting period, whether such a review has taken place</p>	Complying	<p>The Company's Corporate Governance Plan includes a Risk Management Policy.</p> <p>The Board reviews the Company's major business units, organisational structure and accounting controls and processes on a continuing basis.</p> <p>Management and the Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management are recurring items for deliberation at Board meetings.</p> <p>A copy of the Company's Risk Management Policy and a description of the Company's internal compliance and control system are available for review at the registered office of the Company.</p>

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
7.3.	<p>A listed entity should disclose:</p> <p>a) If it has an internal audit function, how the function is structured and what role it performs; or</p> <p>b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes</p>	Complying	<p>In the absence of a risk committee, the Board is responsible for identifying the risks facing the Company, assessing the risks and ensuring that there are controls for these risks, which are to be designed to ensure that any identified risk is mitigated to an acceptable level. The Board will review and discuss strategic risks and opportunities as they arise and arising from changes in the Company's business environment regularly and on an "as need" basis. The Board may delegate some of the abovementioned responsibility to management and committees of the Board but maintain the overall responsibility for the process.</p> <p>The full Board of the Company is also responsible for establishing policies on risk oversight, internal control and management.</p>
7.4.	<p>A listed entity should disclose whether it has any material exposure of economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks</p>	Complying	<p>The Group's operations are not subject to any significant environmental regulations under the Commonwealth or State legislation. The Directors believe that the Group has adequate systems in place for the management of its environment requirements and are not aware of any breach of those environmental requirements as they apply to the Group.</p>
8.	Remunerate fairly and responsibly		
8.1.	<p>The board of a listed entity should:</p> <p>a) Have a remuneration committee which:</p> <ol style="list-style-type: none"> 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 <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>	Complying	<p>The Board has not established a remuneration committee.</p> <p>Until a remuneration committee is established, the Board has assumed the role of the remuneration committee, and addresses the remuneration arrangements for Directors and executives of the Company in accordance with the Corporations Act and ASX Listing Rules requirements, especially in respect of related party transactions. No Directors participate in any discussions or decision regarding her own remuneration of related issues.</p> <p>The Board meets at least annually to deal with the remuneration committee responsibilities, and operated under a charter approved by the Board.</p>
8.2.	<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>	Complying	<p>Details of the Directors and Key Senior Executives remuneration are set out in the Remuneration Report of the Annual Report. The structure of Non-Executive Directors' remuneration is distinct from that of executives and is further detailed in the Remuneration Report of the Annual Report.</p>

	PRINCIPLES AND RECOMMENDATIONS	STATUS	COMMENT
8.3.	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>a) Have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>b) Disclose that policy or a summary of it.</p>	Complying	Equity-based executive remuneration is made in accordance with thresholds set in plans approved by Shareholders. In addition, the Company has issued equity-based remuneration to both Executive and Non-Executive Directors which has been approved by Shareholders at a general meeting.

