

NTM GOLD LIMITED

ACN 119 494 772
(Company)

CORPORATE GOVERNANCE PLAN

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1. INTRODUCTION

In carrying out the responsibilities and powers set out in this Board Charter, the Board of Directors (**Board**) recognises its:

- (a) overriding responsibility to act honestly, fairly, diligently and in accordance with the law in serving the interests of the Company and its shareholders; and
- (b) duties and responsibilities to its employees, customers, creditors and the wider community.

Where the Company's corporate governance practices do not correlate with the practices

recommended by the ASX Corporate Governance Council, the Company is committed to working towards compliance. However, it does not consider that all the practices are appropriate for the Company due to the location, size, type and scale of the Company's operations.

2. SPECIFIC RESPONSIBILITIES OF THE BOARD

In addition to matters the Board is expressly required by law to approve, the Board has the following specific functions and responsibilities:

- (a) overseeing the business and affairs of the Company, including its control and accountability systems;
- (b) appointing the Managing Director/CEO and other senior executives and determining their terms and conditions, including remuneration and termination entitlements;
- (c) driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- (d) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- (e) ensuring the health, safety and well-being of employees, and, in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees;
- (f) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- (g) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- (h) approving the annual, half yearly and quarterly accounts;
- (i) approving significant changes to the organisational structure;
- (j) approving the issue of any shares, options, equity instruments or other securities in the Company;
- (k) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision-making;
- (l) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by shareholders; and
- (m) meeting with the external auditor, at their request, without management being present.

3. COMPOSITION OF THE BOARD

- (a) The composition of the Board is to be reviewed regularly to ensure the appropriate

mix of skills, experience, expertise and diversity is present to facilitate successful strategic direction. Directors should clearly understand corporate expectations of them.

(b) In appointing new members to the Board, consideration is to be given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.

(c) The majority of the Board should be comprised of non-executive Directors. Where practical, a majority of the Board will be independent. An independent Director is one who is independent of management and free from any business or other relationship,

(a)

which could, or could reasonably be perceived to, materially interfere with, the exercise of independent judgement. Independent Directors should meet the definition of what constitutes independence as set out in the Definition of Independence in Section 12.

(d) All Directors (whether independent or not) are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest. To facilitate this, the Board shall provide a procedure for Directors to have access in appropriate circumstances to independent professional advice at the Company's expense.

(e) Directors must declare immediately to the Board any loss of independence.

(f) Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Remuneration and Nomination Committee to ensure that they continue to contribute effectively to the Board.

(g) The Board should comprise Directors with a mix of qualifications, experience, expertise and diversity which will assist the Board in fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

4. **ROLE OF THE CHAIRMAN**

(a) The roles of the Chairman of the Board (**Chairman**) and the Managing Director/CEO must not be exercised by the same individual.

(b) The Chairman should be an independent Director and therefore must meet the definition of what constitutes independence as set out in the Definition of Independence in Section 12.

(c) If a Chairman ceases to be an independent Director then the Board will consider appointing another Director who is independent either as Chairman or as a lead independent Director.

- (d) There is a clear division of responsibility at the head of the Company. The division of responsibilities between the Chairman and the Managing Director/CEO should be agreed by the Board [and set out in a statement of position or authority].
- (e) The Chairman must be able to commit the time to discharge the role effectively.
- (f) The Chairman is responsible for the leadership of the Board, ensuring it is effective, setting the agenda of the Board, conducting the Board meetings and conducting the shareholder meetings.
- (g) The Chairman should facilitate the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.
- (a) (h) In the event that the Chairman is absent from a meeting of the Board then the Board shall appoint a Chairman for that meeting.

5. BOARD COMMITTEES

- (a) To assist the Board in fulfilling its duties, the Board has established the following committees, each with written terms of reference:
 - (i) Audit & Risk Committee; and
 - (ii) Remuneration and Nomination Committee,collectively referred to as the **Board Committees**.
- (b) The charters of the Board Committees are approved by the Board and are to be reviewed following any applicable regulatory changes.
- (c) The Board will ensure that the Board Committees are sufficiently funded to enable them to fulfil their roles and discharge their responsibilities.
- (d) Members of the Board Committees are appointed by the Board. The Board may appoint additional Directors to be members of the Board Committees or remove and replace existing members of Board Committees by resolution.
- (e) The minutes of each Board Committee meeting shall be provided to the Board at the next occasion the Board meets following approval by the relevant Board Committee of the minutes of its meeting.

6. COMPANY SECRETARY

- (a) When requested by the Board, the Company Secretary will facilitate the flow of information of the Board, between the Board and the Board Committees and between senior executives and non-executive Directors.
- (b) The Company Secretary is to support the effectiveness of the Board by monitoring and ensuring that Board policy and procedures are followed, and coordinating the timely completion and despatch of Board agenda and briefing material.
- (c) The Company Secretary is to facilitate the induction of new Directors.

- (d) The Company Secretary is to facilitate the implementation of Board policies and procedures.
- (e) The Company Secretary is to provide advice to the Board on corporate governance matters.
- (f) The Company Secretary should be accountable to the Board, through the Chairman, on all governance matters.
- (a)
 - (g) All Directors have access to the advice and services provided by the Company Secretary.
 - (h) The Board is responsible for appointing and removing the Company Secretary.

7. ACCESS TO INFORMATION AND ADVICE

- (a) All Directors have unrestricted access to company records and information in order to discharge their responsibilities effectively, except where the Board determines that such access would be adverse to the Company's interests.
- (b) All Directors may consult management and employees as reasonably required to enable them to discharge their duties as Directors.
- (c) Senior executives supply the Board with information in a form and timeframe, and of a quality that enables the Board to discharge its duties effectively. Directors are entitled to request additional information where they consider such information necessary to make informed decisions.
- (d) The Board, Board Committees or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairman. A copy of any such advice received will be made available to all members of the Board.

8. THE BOARD'S RELATIONSHIP WITH MANAGEMENT

- (a) The Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Managing Director/CEO.
- (b) The Managing Director/CEO is responsible for:
 - (i) the effective leadership of the Company;
 - (ii) the preparation and implementation of development and operational plans to achieve the strategic, operational and financial objectives of the Company as determined by the Board;
 - (iii) the management of the day-to-day affairs of the Company including its people, processes, policies and systems;
 - (iv) the conduct of commercial negotiations with other entities;

- (i)
 - (v) the development and maintenance of effective relationships with the Company's employees, shareholders, joint venture partners, governments at all levels and government agencies, suppliers and customers, and local landowners;
 - (vi) ensuring that the Company complies with all applicable laws and regulations, including applicable listing rule disclosure requirements;
 - (vii) reporting to the Board, or as directed by the Board, and providing prompt and full information regarding the conduct of the business of the Company; and
 - (viii) ensuring all material matters that affect the Company are brought to the Board's attention.
- (c) Senior executives, including the Managing Director/CEO and the Chief Financial Officer, should have a formal job description and employment contracts or letters of appointment describing their term of office, duties, rights and responsibilities, and entitlements on termination.
- (d) In addition to formal reporting structures, members of the Board are encouraged to have direct communications with management and other employees within the Company to facilitate the carrying out of their duties as Directors.

9. PERFORMANCE REVIEW

Once a year, the Board shall hold a meeting to review critically and discuss the performance of:

- (a) the Board as a whole;
- (b) the Board Committees; and
- (c) individual Directors.

If it is apparent that these are problems which cannot be satisfactorily considered by the Board itself, the Board may decide to engage an independent adviser to undertake this review. The annual performance evaluation practices are outlined in Section 6 ("Performance Evaluation Policy").

10. INDUCTION

The Company Secretary in conjunction with the Remuneration and Nomination Committee will put in place induction procedures to allow new Directors to participate fully and actively in Board decision-making at the earliest opportunity. The induction program will be available to enable new Directors to gain an understanding of the:

- (a) Company's financial, strategic, operational and risk management position;
- (b) culture and values of the Company;

- (c) rights, duties and responsibilities of the Directors;
 - (d) roles and responsibilities of senior executives;
 - (e) role and procedures of the Board and the Board Committees;
 - (f) meeting arrangements; and
- (a)
- (g) interaction of the Directors with each other, senior management and other stakeholders.

Directors will be given access to continuing education to update and enhance their skills and knowledge.

SECTION 2 CORPORATE CODE OF CONDUCT

SECTION OVERVIEW

1. [PURPOSE](#)
2. [ACCOUNTABILITY](#)
3. [PERSONAL AND PROFESSIONAL BEHAVIOUR](#)
4. [CONFLICT OF INTEREST](#)
5. [PUBLIC AND MEDIA COMMENT](#)
6. [USE OF COMPANY RESOURCES](#)
7. [SECURITY OF INFORMATION](#)
8. [INTELLECTUAL PROPERTY / COPYRIGHT](#)
9. [DISCRIMINATION AND HARASSMENT](#)
10. [CORRUPT CONDUCT](#)
11. [OCCUPATIONAL HEALTH AND SAFETY](#)
12. [LEGISLATION](#)
13. [FAIR DEALING](#)
14. [INSIDER TRADING](#)
15. [RESPONSIBILITIES TO INVESTORS](#)
16. [BREACHES OF THE CODE OF CONDUCT](#)
17. [REPORTING MATTERS OF CONCERN](#)

1. PURPOSE

The purpose of this Corporate Code of Conduct (**Code of Conduct**) is to provide a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care

to all employees, clients and stakeholders. The document sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from Directors and employees.

2. ACCOUNTABILITY

2.1 Directors

Directors of the Company are responsible and accountable for:

- (a) undertaking their duties and behaving in a manner that is consistent with the provisions of the Code of Conduct; and
- (b) certifying compliance with the provisions of the Code of Conduct on an annual basis.

(a)

2.2 Management and supervisors

Management and supervisors are responsible and accountable for:

- (a) the effective implementation, promotion and support of the Code of Conduct in their areas of responsibility;
- (b) undertaking their duties and behaving in a manner that is consistent with the provisions of the Code of Conduct; and
- (c) ensuring employees under their control understand and follow the provisions outlined in the Code of Conduct.

The Managing Director/CEO is responsible for, and accountable to the Board, for ensuring management and supervisors act in accordance with their responsibilities under this paragraph 2.2.

2.3 Employees

All employees are responsible for:

- (a) undertaking their duties in a manner that is consistent with the provisions of the Code of Conduct;
- (b) reporting suspected corrupt conduct; and
- (c) reporting any departure from the Code of Conduct by themselves or others.

3. PERSONAL AND PROFESSIONAL BEHAVIOUR

When carrying out your duties, you should:

- (a) behave honestly and with integrity and report other employees who are behaving dishonestly;
- (b) carry out your work with integrity and to a high standard;
- (c) operate within the law at all times;

- (d) follow the policies of the Company; and
- (e) act in an appropriate business-like manner when representing the Company in public forums.

4. CONFLICT OF INTEREST

- (a) Potential for conflict of interest arises when it is likely that you could be influenced, or it could be perceived that you are influenced by a personal interest when carrying out your duties. Conflicts of interest that lead to biased decision making may constitute corrupt conduct.
- (b) Some situations that may give rise to a conflict of interest include situations where you have:
 - (i) financial interests in a matter the Company deals with or you are aware that your friends or relatives have a financial interest in the matter;
 - (ii) directorships/management of outside organisations;
 - (iii) membership of boards of outside organisations;
 - (iv) personal relationships with people the Company is dealing with which go beyond the level of a professional working relationship;
 - (v) secondary employment, business, commercial, or other activities outside of the workplace which impacts on your duty and obligations to the Company;
 - (vi) access to information that can be used for personal gain; and
 - (vii) received, or are aware of, an offer of an inducement.
- (c) You may often be the only person aware of the potential for conflict. It is your responsibility to avoid any conflict from arising that could compromise your ability to perform your duties impartially. You must report any potential or actual conflicts of interest to your supervisor, the Managing Director/CEO or the Chairman (as appropriate).
- (d) If you are uncertain whether a conflict exists, you should discuss that matter with your supervisor, the Managing Director/CEO or the Chairman (as appropriate) and attempt to resolve any conflicts that may exist.
- (e) You must not submit or accept any bribe, or other improper inducement. The offer of any such inducements are to be reported to your supervisor, the Managing Director/CEO or the Chairman (as appropriate).

5. PUBLIC AND MEDIA COMMENT

- (a) Individuals have a right to give their opinions on political and social issues in their private capacity as members of the community.

(b) Employees must not make official comment on matters relating to the Company unless they are:

- (i) authorised to do so by the Managing Director/CEO; or
- (ii) giving evidence in court; or
- (iii) otherwise authorised or required to by law.

(i)

(c) Employees must not release unpublished or privileged information unless they have the authority to do so from the Managing Director/CEO.

6. USE OF COMPANY RESOURCES

(a) Requests to use Company resources outside core business time should be referred to your supervisor, the Managing Director/CEO or the Chairman (as appropriate) for approval.

(b) If employees or Directors are authorised to use Company resources outside core business times they must take responsibility for maintaining, replacing, and safeguarding the property and following any special directions or conditions that apply.

(c) Employees and Directors using Company resources *without* obtaining prior approval could face disciplinary and/or criminal action. Company resources are not to be used for any private commercial purposes.

7. SECURITY OF INFORMATION

(a) Employees and Directors are to make sure that confidential and sensitive information cannot be accessed by unauthorised persons. Sensitive material should be securely stored overnight or when unattended.

(b) Employees and Directors must ensure that confidential information is only disclosed or discussed with people who are authorised to have access to it. It is considered a serious act of misconduct to deliberately release confidential documents or information to unauthorised persons, and may incur disciplinary action.

8. INTELLECTUAL PROPERTY / COPYRIGHT

(a) Intellectual property includes the rights relating to scientific discoveries, industrial designs, trademarks, service marks, commercial names and designations, and inventions and is valuable to the Company.

(b) The Company is the owner of intellectual property created by employees in the course of their employment unless a specific prior agreement has been made. Employees and Directors must obtain written permission to use any such intellectual property from the Company Secretary before making any use of that property for purposes other than as required in their role as employee.

9. DISCRIMINATION AND HARASSMENT

(a) Employees and Directors must not harass, discriminate, or support others who harass and discriminate against, colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, sexual orientation or transgender.

(a)

(b) Such harassment or discrimination may constitute an offence under legislation. Managers and supervisors should understand and apply the principles of equal employment opportunity.

10. CORRUPT CONDUCT

(a) Corrupt conduct involves the dishonest or partial use of power or position which results in one person or group (as the case may be) being advantaged over another. Corruption can take many forms including, but not limited to:

- (i) official misconduct;
- (ii) bribery and blackmail;
- (iii) unauthorised use of confidential information;
- (iv) fraud; and
- (v) theft.

(b) Corrupt conduct will not be tolerated by the Company. Disciplinary action up to and including dismissal will be taken in the event of any employee participating in corrupt conduct. In addition, the Company will report any instances of corrupt conduct of employees or Directors to the authorities which may result in an employee or Director facing criminal prosecution.

11. OCCUPATIONAL HEALTH AND SAFETY

(a) It is the responsibility of all employees to act in accordance with occupational health and safety legislation, regulations and policies applicable to their respective organisations and to use security and safety equipment provided.

(b) Specifically all employees are responsible for safety in their work area by:

- (i) following the safety and security directives of management;
- (ii) advising management of areas where there is potential problem in safety and reporting suspicious occurrences; and
- (iii) minimising risks in the workplace.

12. LEGISLATION

It is essential that all employees and Directors comply with the laws and regulations of the countries in which the Company operates and the laws and regulations of Australia that apply

internationally. Violations of such laws may have serious consequences for the Company and any individuals concerned. Any known or suspected violation must be reported immediately to your supervisor, the Managing Director/CEO or the Chairman (as appropriate).

13. FAIR DEALING

The Company aims to succeed through fair and honest, and not unethical or illegal, business practices. Each employee should endeavour to deal fairly with the Company's suppliers, contractors, customers and other employees.

14. INSIDER TRADING

All employees and Directors must observe the Company's [Securities Trading Policy](#) (Section 9). In conjunction with the legal prohibition on dealing in the Company's securities when in possession of unpublished price-sensitive information (ie inside information), the Company has established specific time periods when Directors and employees are permitted to buy and sell the Company's securities.

15. RESPONSIBILITIES TO INVESTORS

The Company strives for full, fair and accurate disclosure of financial and other information on a timely basis, in accordance with the Company's Continuous Disclosure Policy (Section 7).

16. BREACHES OF THE CODE OF CONDUCT

- (a) Employees and Directors should note that breaches of certain sections of this Code of Conduct may be punishable under legislation.
- (b) Breaches of this Code of Conduct may lead to disciplinary action. The process for disciplinary action is outlined in Company policies and guidelines, relevant industrial awards and agreements.

17. REPORTING MATTERS OF CONCERN

- (a) Employees and Directors are encouraged to raise any matters of concern in good faith with their supervisor, the Managing Director/CEO, the Chairman or with the Company Secretary, without fear of retribution.
- (b) No retaliatory action will be taken or permitted against a person who reports a suspected breach of the Code of Conduct in good faith (provided that person is not responsible for the breach).

(a)

SECTION OVERVIEW

1. [COMPOSITION](#)

SECTION 3

AUDIT & RISK COMMITTEE CHARTER

2. [PURPOSE](#)

3. [DUTIES AND RESPONSIBILITIES](#)

4. [OVERALL RESPONSIBILITY OF THE BOARD.](#)

1. **COMPOSITION**

- (a) The Audit & Risk Committee must comprise at least three members.
- (b) The Board will seek to ensure that all members of the Audit & Risk Committee be non-executive Directors when the composition of the Board permits this.
- (c) A majority of the members of the Audit & Risk Committee must be independent non-executive Directors in accordance with the criteria set out in the Definition of Independence in Section 12.
- (d) The Board will appoint members of the Audit & Risk Committee. The Board may remove and replace members of the Audit & Risk Committee by resolution.
- (e) All members of the Audit & Risk Committee must be able to read and understand financial statements and at least some of the members should have an understanding of the industry in which the Company operates.
- (f) The Chairman of the Audit & Risk Committee may not be the Chairman and must be independent (as set out in the Definition of Independence in Section 12).
- (g) The Chairman of the Audit & Risk Committee shall have leadership experience and a strong finance, accounting or business background.
- (h) The external auditors, the other Directors, the Managing Director/CEO, Chief Financial Officer, Company Secretary and senior executives, may be invited to the Audit & Risk Committee meetings at the discretion of the Audit & Risk Committee.
- (i) The Audit & Risk Committee will be given the necessary power and resources to meet this Charter. This will include rights of access to management, rights to seek explanations and additional information and access to auditors, internal and external, without management present.

2. **PURPOSE**

The purpose of the Audit & Risk Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance and assist the Board with the identification and management of business and operational risks faced by the

Company to a standard that takes into account the reasonable expectations of the Company's shareholders, employees, customers, suppliers, creditors and the broader community in which the Company operates.

3. **DUTIES AND RESPONSIBILITIES**

- (a) The Audit & Risk Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors.
- (b) The Audit & Risk Committee will set aside sufficient time to discharge its functions to ensure the integrity of the financial statements of the Company and the independence of the external auditors.
- (c) The Audit & Risk Committee will review the audited annual and half-yearly financial statements and any reports which accompany published financial statements and recommend their approval or otherwise to the Board.
- (d) The Audit & Risk Committee will each year review the external auditor's:
 - (i) appointment;
 - (ii) independence;
 - (iii) competency to perform the audit function of the Company; and
 - (iv) audit fee;and consider any questions of resignation or dismissal.
- (e) The Audit & Risk Committee will review and each year report to the Board in writing on the following matters relevant to the Audit & Risk Committee's role and responsibility, including:
 - (i) assessment of whether external reporting is consistent with the information and knowledge of the members of the Audit & Risk Committee and is adequate for shareholder needs;
 - (ii) assessment of the management processes supporting external reporting;
 - (iii) procedures for the selection and appointment of the external auditor and for the rotation of external audit engagement partners;
 - (iv) recommendations for the appointment or, if necessary, the removal of the external auditor;
 - (v) assessment of the performance and independence of the external auditors (note, where the external auditor provides non-audit services, the report should state whether the Audit & Risk Committee is satisfied that provision of those services has not compromised the external auditor's independence);
 - (vi) assessment of the performance and objectivity of the internal audit function;

(i)

- (vii) the results of the Audit & Risk Committee's review of risk management and internal control systems; and
- (viii) recommendations for the appointment of, or if necessary, the dismissal of the head of internal audit.
- (f) ensure that management designs and implements a risk management and internal control system to manage the Company's material business risks and reports to the Board at least annually on whether these risks are being managed effectively;
- (g) review the above reports provided to the Board as prepared by management and review the efficiency and effectiveness of the risk management and internal control system;
- (h) develop and maintain a risk register which:
 - (i) identifies the risks to the Company and its operations; and
 - (ii) assesses the likelihood of such risks occurring;
- (i) periodically review the scope and adequacy of the Company's insurance arrangements;
- (j) oversee the Company's operational and environmental risk management and occupational health and safety processes; and
- (k) oversee procedures for whistleblower protection.

4. OVERALL RESPONSIBILITY OF THE BOARD.

Nothing in this Charter diminishes the ultimate responsibility of the Board to ensure the integrity of the Company's financial reporting.

SECTION 4 REMUNERATION AND NOMINATION COMMITTEE CHARTER (To be adopted at an appropriate time)

SECTION OVERVIEW

1. [COMPOSITION](#)
2. [PURPOSE](#)
3. [DUTIES AND RESPONSIBILITIES](#)
4. [OVERALL RESPONSIBILITY OF THE BOARD.](#)

1. COMPOSITION

- (a) The Remuneration and Nomination Committee must comprise of at least three Directors. All members of the Remuneration and Nomination Committee must be non-executive Directors and the majority of the members must be independent in accordance with the criteria as set out in the Definition of Independence in Section 12.
- (b) The Chairman of the Remuneration and Nomination Committee may not be the

Chairman and must be independent (as set out in the Definition of Independence in Section 12).

- (c) The Board will appoint members of the Remuneration and Nomination Committee. The Board may remove and replace members of the Remuneration and Nomination Committee by resolution.

2. PURPOSE

The purpose of the Remuneration and Nomination Committee is principally to support and advise the Board in fulfilling its responsibilities to shareholders of ensuring that the Company has appropriate remuneration policies and recruitment procedures in place.

3. DUTIES AND RESPONSIBILITIES

The responsibilities of the Remuneration and Nomination Committee in supporting and advising the Board in fulfilling its responsibilities to shareholders include:

- (a) reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and directors who will create value for shareholders;
- (b) ensuring that the executive remuneration policy demonstrates a clear relationship between executive performance and remuneration;
- (c) recommending to the Board the remuneration of executive Directors;
- (d) reviewing and commenting on the Company's superannuation arrangements;
- (e) reviewing and commenting on remuneration by gender;
- (a) (f) fairly and responsibly rewarding executives having regard to the performance of the Company, the performance of the executive and the prevailing remuneration expectations in the market;
- (a) (a) reviewing the Company's recruitment, retention and termination policies and procedures for senior management;
- (g) reviewing and approving the remuneration of direct reports to the Managing Director/CEO, and as appropriate other senior executives;
- (h) reviewing and approving any equity based plans and other incentive schemes;
- (i) maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body;
- (j) making recommendations to the Board on the appointment and re-election of the Directors;
- (k) developing a process for the evaluation of the performance of the Board, the Board Committees and Directors;
- (l) ensuring that the Board is comprised of Directors who contribute to the successful

management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance; and

- (m) arranging annual performance evaluations of senior executives of the Company; and
- (n) ensuring the Diversity Policy (see Section 11) is implemented in respect of the Board and the process for identifying and selecting new Directors.

In order to fulfil its responsibilities to the Board, the Remuneration and Nomination Committee shall review and provide recommendations to the Board on the following matters.

3.2 **Remuneration Consultants**

If the Board is considering retaining a remuneration consultant to provide advice to the Board, the Remuneration and Nomination Committee must:

- (a) approve the remuneration consultant before a remuneration consultancy agreement is entered into;
- (b) oversee the independence of the remuneration consultant;
- (c) set aside sufficient time to ensure the independence of the remuneration consultant;
- (d) each year review the remuneration consultant's:

- (i) appointment;
- (ii) independence;
- (iii) competency to provide unbiased advice to the Company;
- (iv) consultancy fees,

and consider any questions of resignation or dismissal; and

- (e) review and each year report to the Board in writing on, amongst other things, the following matters relevant to the Remuneration and Nomination Committee's role and responsibility, including:

- (i) assessment of the performance and independence of the remuneration consultant. The report should state whether the Remuneration and Nomination Committee is satisfied that the remuneration consultant (and their subsequent remuneration recommendations) are free from "undue influence" from management (and other key management personnel);
- (ii) assessment of the performance and objectivity of the remuneration assessment function; and
- (iii) recommendations for the appointment of, or if necessary, the dismissal of the external remuneration consultant.

3.3 **Executive remuneration policy**

The Remuneration and Nomination Committee must:

- (a) review and approve the Company's recruitment, retention and termination policies and procedures for senior executives to enable the Company to attract and retain executives and directors who can create value for shareholders;
- (b) review the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs; and
- (c) ensure that remuneration policies fairly and responsibly reward executives having regard to the performance of the Company, the performance of the executive and prevailing remuneration expectations in the market.

3.4 **Executive Directors and senior management**

The Remuneration and Nomination Committee must:

- (a) consider and make recommendations to the Board on the remuneration for each executive Director and senior executives (including base pay, incentive payments, equity awards, retirement rights, termination payments, service contracts) having regard to the executive remuneration policy; and
- (b) review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for each executive Director and senior manager. As part of this review the Remuneration and Nomination Committee will oversee the annual performance evaluation of the executive team (see Section 6).

3.5 **Non-Executive Directors**

The Remuneration and Nomination Committee must:

- (a) consider and make recommendations to the Board on the remuneration for each non-executive Director (as distinct from the remuneration structures of executive Directors and senior management) having regard to the non-executive remuneration policy; and
- (b) review the on-going appropriateness and relevance of the non-executive remuneration policy.

3.6 **Executive incentive plan**

The Remuneration and Nomination Committee must review and approve the design of any executive incentive plans.

3.7 **Equity based plans**

The Remuneration and Nomination Committee must:

- (a) review and approve any equity based plans that may be introduced (**Plans**) in light of legislative, regulatory and market developments;
- (b) for each Plan, determine each year whether awards will be made under the Plan;

- (c) review and approve the total number of proposed awards to be made under each Plan;
- (d) in addition to considering awards to executive Directors and reporting directly to the Managing Director/CEO, review and approve proposed awards under each Plan on an individual basis for executives as required under the rules governing each Plan or as determined by the Remuneration and Nomination Committee; and
- (e) review, approve and keep under review performance hurdles for each Plan.

3.8 **Nomination**

The Remuneration and Nomination Committee must:

- (a) identify and recommend to the Board candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills, experience, expertise and diversity and after assessment of how the candidates can contribute to the strategic direction of the Company and the Company's Diversity Policy (see Section 11);
- (b) approve and review induction procedures for new appointees of the Board to ensure that they can effectively discharge their responsibilities;
- (c) assess and consider the time required to be committed by a non-executive Director to properly fulfil his or her duty to the Company and advise the Board in relation to this;
- (d) consider and recommend to the Board candidates for election or re-election to the Board at each annual general meeting of shareholders;
- (e) review directorships in other public companies held by or offered to Directors and senior executives of the Company;
- (f) review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board;
- (g) arrange an annual performance evaluation of the Board, the Board Committees and the individual Directors;
- (h) make recommendations to the Board on the appropriate size and composition of the Board; and
- (i) make recommendations to the Board on the terms and conditions of appointment to, and removal and retirement from, the Board.

3.9 **Procedure for selection and appointment of new Directors**

The Board's procedure when selecting and appointing new Directors varies depending upon the circumstances of the Company at the particular time. Generally, however, the procedure for the selection and appointment of a new Directors will be based on the Remuneration and

Nomination Committee doing the following:

- (a) assessing the needs of the Board to ensure that there is a range of skills, experience, expertise and diversity represented, including an understanding of:
 - (i) the industry in which the Company operates;
 - (ii) the markets in which the Company operates;
 - (iii) business development and risk management; and
 - (iv) accounting, finance and legal matters;
 - (b) where a need is identified or arises, engaging recruitment advisers to identify individuals with the skills and experience required by the Board;
 - (c) taking steps to ensure that a diverse range of candidates are considered in accordance the Company's Diversity Policy (see Section 11);
 - (d) developing a short list of potential appointees taking into account, among other things, the particular skills and experience of each individual appointee and their ability to fit with the existing Board; and
- (a)
- (e) recommending to the Board the most appropriate person from the short list of potential appointees to be invited to become a director of the Company.

3.10 **Policy for the appointment of Directors**

The Remuneration and Nomination Committee policy for the appointment of Directors, as part of the broader selection and appointment procedure, looks to ensure that the potential appointee best matches the needs of the Board.

Factors considered by the Remuneration and Nomination Committee when recommending a person for appointment as a director include:

- (a) competencies and qualifications;
- (b) independence;
- (c) the time commitment required by a director to effectively discharge his or her duties to the Company;
- (d) the number of existing directorships and other commitments that may demand the attention of the appointee;
- (e) the nature of existing positions, directorships or other relationships and the impact that each may have on the appointee's ability to exercise an independent judgment; and
- (f) the extent to which the appointee is likely to work constructively with the existing Directors and contribute to the overall effectiveness of the Board.

In accordance with the Company's constitution, all new appointees to the Board must resign at the next annual general meeting following the Board meeting at which he or she was appointed and are eligible to seek election and be appointed as a Director by election of the Company. The Remuneration and Nomination Committee policy on notices of meeting involving the election of Directors is that sufficient information should be made available to enable shareholders to make an informed choice about who should be elected a director.

The notice is to set out a range of matters about the person recommended for election as a director, including the matters required by the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations.

4. OVERALL RESPONSIBILITY OF THE BOARD

Ultimate responsibility for the Company's remuneration policy rests with the Board.

SECTION 5 PERFORMANCE EVALUATION POLICY

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2. [REVIEW OF SENIOR EXECUTIVES BY THE REMUNERATION AND NOMINATION COMMITTEE](#)

1. REVIEW BY THE BOARD

1.1 Annual performance review

Once a year, the Board shall hold a meeting to critically review and discuss the performance of:

- (a) the Board as a whole;
- (b) the Board Committees; and
- (c) the individual Directors.

If it is apparent that there are problems which cannot be satisfactorily considered by the Board itself, the Board may decide to engage an independent adviser to undertake this review.

1.2 The Board

A process shall be established to review and evaluate the Board. The annual review includes, but is not limited to, consideration of the following:

- (a) comparing the performance of the Board against the Board Charter (see Section 1);
- (b) assessing the performance of the Board over the previous twelve months having regard to the corporate strategies, operating plans and the annual budget;
- (c) reviewing the Board's interaction with management;

- (d) identifying any particular goals and objectives of the Board for the next year;
- (e) reviewing the type and timing of information provided to the Directors; and
- (f) identifying any necessary or desirable improvements to the Board Charter or the Board Committee Charters.

The method and scope of the performance evaluation will be set by the Board and which may include a Board self-assessment checklist to be completed by each Director.

1.3 **Board Committees**

A process shall be established to review and evaluate each Board Committee. The annual review will include considerations similar to those applied to the review of the Board and will include an assessment of the performance of each Board Committee against each Board Committee's Charter in order to identify areas where improvements can be made.

1.4 **Non-executive Directors**

The Chairman will have primary responsibility for conducting performance appraisals of non-executive Directors, having particular regard to the:

- (a) degree of contribution to Board discussion and function;
- (b) degree of independence including relevance of any conflicts of interest;
- (c) availability for and attendance at Board meetings and other relevant events;
- (d) level of contribution to the Company's strategy;
- (e) membership of and contribution to any Board Committees; and
- (f) suitability in light of the Board structure and composition.

Where the Chairman, following a performance appraisal, considers that action must be taken in relation to a Director's performance, the Chairman must consult with the remainder of the Board members regarding whether a Director should be counselled to resign, not seek re-election, or in exceptional circumstances, whether a resolution for the removal of a Director be put to shareholders.

1.5 **Managing Director/CEO**

The Board will annually review the performance of the Managing Director/CEO. At the commencement of each financial year, the Board and the Managing Director/CEO will agree a set of generally Company specific performance measures to be used in the review of the forthcoming year.

These will include, but not be limited to:

- (a) financial measures of the Company's performance;
- (b) the extent to which key operational goals and strategic objectives have been achieved;

- (c) development of management and staff;
- (d) compliance with legal and Company policy requirements; and
- (e) achievement of key performance indicators.

2. REVIEW OF SENIOR EXECUTIVES BY THE REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee will arrange an annual performance evaluation of senior executives of the Company. To assist in this process an independent adviser may be used.

This evaluation will be based on specific criteria, including the business performance of the Company and the other group members, whether strategic objectives are being achieved and the development of management and personnel.

Each senior executive's performance will be assessed against his or her designated role and responsibilities.

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6. [TRADING HALTS / SUSPENSION](#)

2. INTRODUCTION

The Company must comply with the continuous disclosure requirements arising from the *Corporations Act 2001* (Cth) (**Corporations Act**) and the Listing Rules of the Australian Securities Exchange (**ASX**) (**ASX Listing Rules**).

2. PRICE SENSITIVE INFORMATION

- (a) The general rule, in accordance with ASX Listing Rule 3.1, is that once the Company is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities

(Price Sensitive Information), the Company must immediately disclose that information to the ASX. This is subject to limited exceptions.

- (b) Price Sensitive Information includes, amongst other things, information on or about:
- (i) financial performance and material changes in the financial performance or projected financial performance;
 - (ii) unexpected profits or losses or unexpected expenditure or income;
 - (iii) acquisitions, divestments or other corporate transactions carried out by the Company;
 - (iv) significant developments in new projects or ventures;
 - (v) exploration results;
 - (vi) the grant, revocation or expiry of material licences or authorisations;
 - (vii) the rate of mining and extraction disclosing results above or below what is expected;
 - (viii) hedging contracts, and significant gains or losses under them;
 - (ix) material changes to the securities granted by the Company to third parties;
 - (x) proposed bonus issues of shares or changes in the rate of dividends; and
 - (xi) industry issues which have, or which may have, a material impact on the Company.

(i)

3. RESPONSIBILITIES

The Managing Director/CEO and Company Secretary are responsible for:

- (a) ensuring that the Company complies with its disclosure obligations under the Corporations Act and ASX Listing Rules;
- (b) overseeing and co-ordinating disclosure of information to the ASX (and any other stock exchange that the Company is listed on from time to time) and shareholders; and
- (c) providing guidance to Directors and employees on disclosure requirements and procedures.

4. REPORTING

- (a) It is the responsibility of every Director and employee of the Company to report any Price Sensitive Information which that person has obtained to the Company Secretary.
- (b) It may be necessary in some instances for the Company Secretary to consult with the

Board in order to form a view as to whether information that may be price sensitive information is in fact Price Sensitive Information requiring disclosure.

- (c) The Company Secretary is authorised to and will cause the Company to announce all Price Sensitive Information to and on the ASX.

5. MARKET SPECULATION AND RUMOURS

The Company Secretary may, and is authorised to, issue a statement on behalf of the Company in response to any rumours or market speculation concerning the Company where the ASX has made a formal request to the Company to issue a statement.

6. TRADING HALTS / SUSPENSION

The Company Secretary, acting with the authority of the Managing Director/CEO or Chief Financial Officer, is authorised to request a trading halt. The Company Secretary, acting with the authority of the Board, is authorised to request a suspension.

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RISK MANAGEMENT POLICY

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5. [ASSESSING RISK MANAGEMENT EFFECTIVENESS](#)

1. ROLE OF THE BOARD

The Board is responsible for ensuring that sound risk management strategy and policies are in place.

2. OBJECTIVES

The Company aims to foster a risk-aware decision making culture that achieves shareholder value growth through developing and protecting the Company's people, assets, environment and reputation. The Company aims to achieve these objectives by:

- (a) implementing a structured and comprehensive risk management system across the Company which establishes common risk management understanding, language and methodology;
- (b) identifying, assessing, monitoring and reporting risks to provide management and the

Board with the assurance that business risks are being identified and managed;

- (c) developing, and annually reviewing, a corporate risk profile for review by the Audit & Risk Committee;
- (d) ensuring risks considered by the Company include the Company's health and safety, financial, environmental, legal compliance, social and cultural, reputational, and security exposures;
- (e) embedding risk management into the Company's critical business activities and processes;
- (f) understanding the Company's tolerance to risk and applying this to the Company's decision making;
- (g) assuring the effectiveness of material business risk controls management and of the risk management system through a process of testing and reporting; and
- (h) building the Company's internal resilience to the effects of adverse business impacts in order to sustain performance.

(a)

3. ROLE OF THE AUDIT & RISK COMMITTEE

The Board has delegated to the Audit & Risk Committee responsibility for identifying and overseeing major risk areas and that systems are in place to manage them, and report to the Board as and when appropriate.

4. RISK REGISTER

The Audit & Risk Committee must develop and maintain a risk register which:

- (a) identifies the risks to the Company and its operation; and
- (b) assesses the likelihood of such risks occurring.

The risk register will be updated periodically and presented to the Board for its consideration at least twice every 12 months.

5. ASSESSING RISK MANAGEMENT EFFECTIVENESS

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back quarterly to the Audit & Risk Committee on whether those risks are being managed effectively.

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WHAT TYPES OF TRANSACTIONS ARE COVERED BY THIS POLICY?

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4. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES

5. APPROVAL AND NOTIFICATION REQUIREMENTS

6. ASX AND OTHER SECURITIES EXCHANGES NOTIFICATION FOR DIRECTORS

7. MATERIAL CHANGES TO THE SECURITIES TRADING POLICY

8. EFFECT OF COMPLIANCE WITH THIS POLICY

1. INTRODUCTION

- (a) These guidelines set out the policy on the sale and purchase of securities in the Company by its Directors and employees.
- (b) Directors of the Company and employees are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.
- (c) The purpose of this Securities Trading Policy is to assist the Directors and employees to avoid conduct known as 'insider trading' which is prohibited under the Corporations Act. In some respects, the Company's policy extends beyond the strict requirements of the Corporations Act.

2. WHAT TYPES OF TRANSACTIONS ARE COVERED BY THIS POLICY?

This policy applies to both the sale and purchase of any securities of the Company and its subsidiaries, including the entering into of transactions or arrangements which operate to limit the economic risk of a security holding.

3. WHAT IS INSIDER TRADING?

3.1 Prohibition

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- (a) that person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company's securities (**Price Sensitive Information**); and
- (b) that person:
 - (i) buys or sells securities in the Company; or
 - (ii) procures someone else to buy or sell securities in the Company; or
 - (iii) passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the

securities or procure someone else to buy or sell the securities of the Company.

3.2 Examples

To illustrate the prohibition described above, the following are possible examples of Price Sensitive Information which, if made available to the market, may be likely to affect materially the price of the Company's securities:

- (a) the Company considering a major acquisition or disposal of assets;
- (b) the threat of major litigation against the Company;
- (c) the Company's sales and profit results materially exceeding (or falling short of) the market's expectations;
- (d) a material change in debt, liquidity, cash flow or liabilities;
- (e) a significant new development proposal ie new product or technology;
- (f) the granting (or loss) of a major contract;
- (g) management or business restructuring proposal; and
- (h) a share issue proposal.

3.3 Dealing through third parties

A person does not need to be a Director or employee of the Company to be guilty of insider trading in relation to securities in the Company. The prohibition extends to dealings by Directors and employees through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates" in this policy).

3.4 Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

3.5 Employee share schemes

The prohibition does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does

apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

4. GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES

4.1 General rule

- (a) Directors and employees are not permitted to trade in the Company's securities during

the specific "prohibited periods" detailed below.

- (b) The prohibited periods are the period of two weeks immediately leading up to and including each of the following days:
 - (i) the day quarterly results are announced;
 - (ii) the day half year results are announced;
 - (iii) the day full year results are announced; and
 - (iv) the day of the annual general meeting.
- (c) The Company may at its discretion vary this rule in relation to a particular prohibited period by general announcement to all Directors and employees either before or during the period. In particular, the Company may announce additional prohibited periods during which the Company's securities may not be traded, including while it considers matters which are exempt from immediate disclosure to ASX under the continuous disclosure rules.
- (d) However, if a Director or employee of the Company is in possession of Price Sensitive Information which is not generally available to the market, then he or she must not deal in the Company's securities at any time, even if such trading might otherwise be permitted by the securities trading policy.

4.2 No short-term trading in the Company's securities

Directors and employees should never engage in short-term trading of the Company's securities except for the exercise of options where the resulting shares will be sold shortly thereafter.

4.3 Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price-sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

4.4 Derivatives

For the avoidance of doubt, Directors and employees are prohibited from trading during prohibited periods in financial products issued or created over or in respect of the Company's securities.

4.5 Prohibition against hedging unvested entitlements

Directors and employees participating in equity based incentive plans are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in the Company's securities held under such plans.

4.6 Exceptions

- (a) Directors and all employees may at any time:
 - (i) acquire Company securities under a bonus issue made to all holders of securities of the same class;
 - (ii) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
 - (iii) acquire, or agree to acquire shares or acquire or exercise options or performance rights under an employee incentive scheme operated by the Company;
 - (iv) withdraw ordinary shares in the Company held on behalf of the employee in an employee share plan where the withdrawal is permitted by the rules of that plan; and
 - (v) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme.
- (b) Exceptional Circumstances:
 - (i) A Director or an employee, who is not in possession of inside information in relation to the Company, may be given prior written clearance to sell or otherwise dispose of the securities of the Company other than during a window period under the trading policy where the such person is in severe financial hardship or there are other exceptional circumstances.
 - (ii) A person may be in severe financial hardship if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities of the Company. For example, a tax liability of such a person would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability. A tax liability relating to securities received under an employee incentive scheme would also not normally constitute severe financial hardship or otherwise be considered an exceptional circumstance for the purpose of obtaining prior written clearance to sell or otherwise dispose of securities during a prohibited period.
 - (iii) Other examples include if the person is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the securities of the Company or there is some other overriding legal or regulatory requirement for him or her to do so.
 - (iv) In recognition of the case that exceptional circumstances, by their nature, cannot always be specified in advance, it is envisaged that there may be other circumstances, which have not been identified in this policy, that may be deemed exceptional by the Chairman or the Managing Director/CEO (where the Chairman is involved).

(i)

- (v) The person seeking clearance to trade in exceptional circumstances must seek prior written approval to do so (in accordance with paragraph 5 below) and satisfy the Chairman, the Board or the Managing Director/CEO (as the case may be) that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant securities is the only reasonable course of action available.
 - (vi) If the Chairman, the Board or the Managing Director/CEO is in any doubt in making such determinations on behalf of the Company, consideration should be given to the purpose of the ASX Listing Rules and the discretion should be exercised with caution.
 - (vii) Any written approval to deal in the Company's securities during the exceptional circumstances shall specify the duration of such clearance.
- (c) It is noted that if the Company has in place from time to time an active share option plan:
- (i) it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of the options unless the sale of those shares occurs during one of the four week periods specified in paragraph 4.1; and
 - (ii) where the exercise price of options is being provided by a margin loan or other form of lending arrangement then there may be a risk that the employee or Director may need to sell shares to avoid providing additional capital or security to the lender in the event of a decrease in the value of the shares.

Were this is to occur at a time when the person possessed inside information then the sale of Company securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person

possessed and the person may not have made a profit on the sale. Where Company securities are provided to a lender as security by way of mortgage or charge a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

4.7 Notification of periods when Directors and employees can trade

The Company Secretary will endeavour to notify all Directors and employees of the times when they are not permitted to buy or sell the Company's securities as set out in paragraph 4.1.

5. APPROVAL AND NOTIFICATION REQUIREMENTS

- (a) Any Director wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior approval of the Chairman or the Board before doing so.

- (b) If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities the Chairman must obtain the prior approval of the remaining Board members before doing so.
- (c) Any employees who are first or second line reports to the Managing Director/CEO wishing to buy, sell or exercise rights in relation to the Company's securities must obtain his prior approval before doing so.
- (d) Any Director or employee who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities **must** notify the Company Secretary of the details of the transaction within five business days after the transaction occurring. This notification obligation operates at all times but does not apply to acquisitions of shares, options or performance rights by employees made under an employee incentive scheme operated by the Company, nor does it apply to the acquisition of shares as a result of the exercise of options or performance rights under an employee incentive scheme operated by the Company.
- (e) The form to complete and send to the Company Secretary available on request from the Company Secretary.

6. ASX AND OTHER SECURITIES EXCHANGES NOTIFICATION FOR DIRECTORS

- (a) The ASX Listing Rules require the Company to notify the ASX within five business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.
- (b) In addition, the ASX Listing Rules require the disclosure by listed companies in Appendix 3Ys of instances where trading by Directors occurred during a prohibited period where prior written clearance was required, and if so, whether that clearance was provided.

7. MATERIAL CHANGES TO THE SECURITIES TRADING POLICY

For purposes of the ASX Listing Rules, amendments to the Company's trading policy that would constitute a material change and which would require that the amended policy be given to ASX for release to the market include:

- (a) changes to the periods specified in the trading policy when the Company's Directors and employees are prohibited from trading in the Company's securities;
- (b) changes with respect to the trading that is excluded from the operation of the Company's trading policy; and
- (c) changes with respect to the exceptional circumstances in which the Company's Directors and employees may be permitted to trade during a prohibited period.

8. EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with this Securities Trading Policy for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

SECTION 9 SHAREHOLDER COMMUNICATIONS STRATE

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Introduction

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights, the Company is committed to:

- (a) communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders (eg notice of meetings and explanatory material and periodic disclosure, such as annual, half yearly and quarterly reporting of exploration, production and corporate activities) and the general meetings of the Company, including the annual general meeting;
- (b) giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- (c) making it easy for shareholders to participate in the general meetings of the Company, including the annual general meeting; and
- (d) requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Telephone / Email

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.

Website

The Company has a website (www.ntmgold.com.au) to provide information about the Company generally for the benefit of its shareholders and market participants (among others). The Company's website will be updated with material released to the ASX as soon as practicable after confirmation of release by ASX. All information available on the Company's

website is to be regularly reviewed and updated by the Company to ensure that information is current, or appropriately dated and archived.

The Company's website shall include the following sections which contain relevant information for shareholders:

- (a) a corporate governance section, which contains details about the Company's corporate governance policies and practices;
- (b) a reports section, which contains copies of annual, half yearly and quarterly reports;
- (c) a news section, which contains sections on newsletters, ASX announcements (including full text of notices of meeting and explanatory material), media clippings and power point presentations; and
- (d) a press releases section, which contains details of recent press releases made by the Company.

Written communication and annual report

The annual report of the Company is the major written communication by the Company to shareholders each year.

Annual general meeting

The Company recognises the rights of shareholders and encourages the effective exercise of those rights through the following means:

- (a) notice of meetings are distributed to shareholders in accordance with the provisions of the Corporations Act;
- (b) notice of meetings and other meeting materials are drafted in concise and clear language;
- (c) shareholders are encouraged to use their attendance at meetings to ask questions on any relevant matters, with time being specifically set aside for shareholder questions;
- (d) notice of meetings encourage participation in voting on proposed resolutions by lodgement of proxies, if shareholders are unable to attend the meeting;
- (e) it is general practice for a presentation on the Company's activities to be made to shareholders at each annual general meeting; and
- (f) it is both the Company's policy and the policy of the Company's auditor for the lead engagement partner to be present at the annual general meeting and to answer any

questions regarding the conduct of the audit and the preparation and content of the auditor's report.

(a)

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9. [REVIEW](#)

1. INTRODUCTION

- (a) This is a policy of the Board in relation to promoting and maintaining diversity in the Company. This policy applies to all employees, directors, senior executives and other officers of the Company.
- (b) The [Remuneration and Nomination Committee](#) is accountable to the Board for ensuring this policy is implemented in respect of the Board and the process for identifying and selecting new Directors.
- (c) The Managing Director/CEO of the Company is accountable to the Board for ensuring this policy is implemented throughout the company's workforce. Senior executives and all personnel involved in recruitment are expected to ensure this policy is implemented and integrated into all activities of the Company.
- (d) This policy does not replace or limit equal employment opportunity and anti-discrimination regulatory requirements or authorise or require any departure from them.

2. POLICY

- (a) The Company recognises that a talented and diverse workforce is a key competitive advantage and the Company's success is a reflection of the quality and skills of its people.
- (b) The Company is committed to promoting a diverse workplace that recognises and

- (a) embraces the skills, characteristics and experiences that people bring to the Company.
- (c) The Company recognises the many benefits arising from workplace diversity. Drawing our workforce from a diverse pool allows us to recruit the best talent to improve our business performance and deliver our strategy. The promotion of diversity encourages greater innovation, improves the Company's corporate image and reputation, enhances employee engagement and retention, and creates value for our customers and shareholders and other stakeholders.

3. OBJECTIVES

- (a) The objectives of this policy are to:
 - (i) identify and remove any barriers to diversity which may exist within the Company to create a workplace culture of inclusion;
 - (ii) appreciate and respect the unique diversity that each individual brings to the workplace;
 - (iii) actively monitor recruitment, promotions and turnover, particularly in relation to gender diversity;
 - (iv) create and maintain a safe work environment by taking action against inappropriate workplace behaviour (such as discrimination, bullying and harassment);
 - (v) facilitate equal employment opportunities based on relative ability, performance and potential;
 - (vi) attract and retain a skilled and diverse workforce;
 - (vii) develop flexible work practices to meet the different needs of our employees;
 - (viii) maximise customer service and market reputation by developing a workforce that respects and reflects the diversity of our customers and shareholders;
 - (ix) ensure the Company has clear reporting processes and procedures in place;
 - (x) undertake diversity initiatives and measure their effectiveness;
 - (xi) promote diversity through the Company's actions and interactions; and
 - (xii) provide diversity education, training and mentoring programs.

4. RECRUITMENT, SELECTION AND PROMOTION

- (a) The Company will ensure that recruitment, selection and promotion processes at all levels in the Company, including at the Board level, are designed to support a workplace which values diversity and avoids unfair discrimination.
- (b) The Company will ensure that:

(a)

- (i) recruitment and selection is based on merit;
- (ii) the Company complies at all times with equal employment opportunity and anti-discrimination requirements;
- (iii) the Company encourages management involved in recruitment to consider workplace diversity when making selection decisions; and
- (iv) the Company aims to make its recruitment process accessible to all candidates by advertising positions broadly and by using professional recruitment agencies where required.

5. CAREER DEVELOPMENT AND PROMOTION

- (a) The Company supports and encourages the personal and professional development of all employees.
- (b) The Company promotes career development and promotion opportunities based on relative ability, performance and potential.

6. FLEXIBLE WORK ARRANGEMENTS

- (a) The Company endeavours to support the work-life balance and flexibility needs of its employees. The Company recognises that flexible work arrangements can reduce absenteeism, increase employee engagement and retention.
- (b) The Company offers a range of flexible working arrangements, subject to meeting the needs of the business, including part time work, job share arrangements and flexible working hours.

7. LEARNING AND DEVELOPMENT

The Company recognises that employees have individual needs regarding their learning and development. The Company will ensure that appropriate learning and development opportunities are provided in a way that maximises fair and equitable access to all employees and that all employees are aware of their responsibilities in relation to equal opportunity and diversity.

8. MONITORING AND REPORTING

- (a) The Board, in consultation with the Remuneration and Nomination Committee and management (where appropriate), is responsible for overseeing the implementation and monitoring of this policy, and must, in particular:
 - (i) establish measurable objectives for achieving gender diversity;
 - (ii) review those objectives annually; and
 - (iii) assess annually the progress in achieving those objectives and the effectiveness of this policy.

(i)

- (b) The Board will ensure that appropriate disclosures are made in future annual reports regarding gender diversity in the Company, including information regarding the proportion of women in the Company, women in senior executive positions and women on the Board.

9. REVIEW

The Board will review the Company's diversity strategy annually and will monitor progress towards the achievement of measureable objectives. This policy will be reviewed regularly and updated as required.

SECTION 11 DEFINITION OF INDEPENDENCE

An independent Director is a non-executive Director (ie is not a me

- (a) Holds (directly or indirectly) less than 5% of the voting shares of the Company and is not an officer of a shareholder of more than 5% of the voting shares of the Company;
- (b) within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- (c) within the last three years has not been a principal of a material consultant to the Company or another group member or an employee materially associated with the service provided;
- (d) is not a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- (e) has no material contractual relationship with the Company or another group member other than as a Director of the Company;
- (f) has not served on the Board of Directors of the Company for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- (g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The materiality thresholds are assessed on a case-by-case basis, taking into account the relevant Director's specific circumstances, rather than referring to a general materiality threshold.

APPENDIX 1
GUIDELINES FOR THE OPERATION OF THE BOARD

These Guidelines are to be read together with the [Board of Directors' Charter](#).

1. MEETINGS

Board meetings are held on a regular basis, as determined annually in advance by the Board, meetings can be varied, deferred or adjourned.

1.1 Meeting Agenda

The agenda for each meeting is prepared by the Company Secretary in conjunction with the Chairman and the Chief Executive Officer.

Matters proposed for the agenda will take into account:

- The Board's annual agenda;
- Emerging issues assessed by management or the Board as warranting the Board's attention;
- The continuing education needs of the Board including its knowledge and understanding of the company, its activities and operations, its competitors and the industries in which it operates;
- Matters raised in the course of preceding Board meetings;
- Matters directly relevant to the Board's defined responsibilities or the decisions reserved to the Board; and
- Externally imposed reporting deadlines.

Any director may approach the Chairman and request that a particular item be added to the agenda for a meeting.

1.2 Attendance

Directors are required to make every reasonable effort to be fully prepared for and attend each meeting of the board or the Committee(s) of which they are a member, and to remain in attendance for the full duration of such meetings. Where attendance or remaining in attendance for the full meeting is not possible, leave of absence must be sought, in advance, from the Chairman.

1.3 Declared, potential and perceived conflicts of interest

Subject to the provisions of the Corporations Law and the company's constitution, the Board is empowered to regulate its meetings and proceedings, including the processes it will apply in instances of a declared, actual or perceived conflict of interest.

As a general statement, the Board is empowered to consider the application of one or more a number of options, including:

- The Director who is subject to the declared or perceived interest taking no part in discussions and being excluded from the quorum and the decision on the affected matter;
- The Director who is subject to the declared or perceived interest being excluded from discussion, the quorum, the decision and access to board papers pertaining to the affected matter; and
- The Director who is subject to the declared or perceived interest being excluded from the quorum and the vote, but being permitted to be present for and engaged in discussions of the affected matter.

1.4 Decisions

Decisions of the Board are made by consensus of the majority of members present at a duly convened meeting. These decisions will be reflected in the minutes and, where necessary, any dissenting views that a Director has specifically stipulated will be recorded.

If a matter cannot be concluded by consensus a formal vote may be required. In the case of an equality of votes in such a situation the Chairman of the meeting has a second or casting vote.

Any action required or decision permitted to be taken at any meeting of the board may be taken without a meeting if a resolution in writing is signed by all Directors entitled to receive notice of a meeting.

A resolution in writing may consist of one or several documents in identical terms each signed by one or more Directors. All such documents must be filed by the Company Secretary with the minutes.

Use of this option is restricted to matters of extreme urgency that cannot be delayed until the next meeting and, on an exception basis, day-to-day matters that require board approval but do not require face-to-face discussion.

1.5 Minutes

The draft minutes of each Board meeting are approved by the Managing Director/CEO and circulated to all Directors as soon as practicable but no later than the distribution date for papers for the next Board meeting. Minutes of meetings are confirmed at the next subsequent meeting of the Board. Minutes are not a verbatim recording of the meeting but accurately

record the resolutions of the Board, key reasons for those decisions (where appropriate) and actions arising.

The minuted actions from each Board meeting is approved by the Managing Director/CEO and circulated to all directors as soon as practicable after each meeting. This may be combined with the minutes of the relevant meeting.

Minuted actions include accountabilities, performance expectations and the nature and timing of subsequent reporting.

2. APPOINTMENT AND ROLE OF THE COMPANY SECRETARY

The Company Secretary acts as secretary to the Board. This appointment is made by the Board for such term, at such remuneration and upon such conditions, as it thinks fit. Any company secretary so appointed may also be removed by the Board

The Company Secretary is responsible for the preparation of minutes of Board meetings including recording the appointments of officers, names of Directors present, all resolutions and proceedings and a summary of actions arising.

The Company Secretary will assist the Chief Executive Officer and the Chairman in the development of the agenda for each meeting.

3. INVITATION TO POTENTIAL DIRECTORS

A person invited to join the board shall receive a formal written invitation setting out the Director's duties, rights, responsibilities and the terms and conditions associated with that appointment including:

- The company's independence and other qualification requirements;
- The number of other boards on which a director may sit; and
- Tenure, retirement and succession.

4. BOARD PAPERS

The agenda and the papers for each Board meeting including all reports on the activities and performance of the company are to be circulated to Directors and those managers attending

by specific or standing invitation, no less than three working days before the scheduled meeting.

A paper is to be provided for each agenda item where required to enable informed discussion and decisions at Board meetings. As a matter of course "verbal" reports are to be discouraged.

Business of the board which is not included in the agenda or for which the papers were late may be discussed at a board meeting only with the consent of the Chairman and all Directors present.

All Board papers must be prepared in accordance with the Board's guidelines. The board may, from time to time, revise specific guidelines for the presentation, general content and appropriateness of board papers. The Company Secretary will retain a complete hard copy of the board papers for each meeting. These will be available for reference by Directors in office, former Directors and Senior Executives as required.

5. INDUCTION

Appointees to the Board of Directors undertake a formal induction program which includes:

- Meetings with the Chief Executive Officer and key members of the senior executive team;
- Formal briefings on the financial, strategic and operational position of the company together with its risk profile;
- Their duties, rights and responsibilities;
- Details of terms and conditions contained in any arrangements specifically involving directors, such as directors' indemnity insurance; and
- The role of Board committees.

In addition they are:

- Provided with copies of the minutes of the Board meetings for a period of at least six months prior to the date of appointment;
- Provided with copies of the Annual Reports for the Company for the current year and the preceding year;
- Invited to direct any queries they may have to the Chairman or the Chief Executive Officer or obtain any briefings they feel necessary from the Chairman or the Chief Executive Officer;
- Encouraged to attend site visits in liaison with the Chief Executive Officer; and
- Able to have access to continuing education to enhance their skills and knowledge

APPENDIX 2 RISK MANAGEMENT PROGRAM

This Program is to be read together with the Company's [Risk Management Policy](#).

1. INTRODUCTION

The purpose of this document is to formalize and communicate the Company's approach to risk management.

The Risk Management Program is intended to provide an effective framework for the management of the risk of the Company. It also demonstrates compliance with Principle 7 of the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice recommendations.

The Company views prudent risk management as integral to its objectives of generating above average returns for its shareholders and enhancing the environment of identifying and capitalizing on opportunities to create accretive value.

2. VISION

To develop organizational wide capabilities in risk management to ensure a consistent, efficient and effective assessment and management of risks across the Company's activities.

The Risk Management Program (the "Risk Program" or the "Program") is designed to ensure compliance with the requirements of the ASX with the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Principle 7: Recognise and Manage Risk (the Principle). Namely to,

"Establish a sound system of risk oversight and management and internal control"

3. OBJECTIVE

The Risk Program forms an integral part of the Company's overall corporate governance and control framework. The Policy provides an effective framework for the management of risk across the Company, as such it:

- Promotes a risk aware culture across the Company
- Uses a proven risk management approach to ensure appropriate focus is given to the identification, evaluation,, treatment, monitoring and reporting of all significant risks
- Ensures managing risk becomes an integral part of the business planning and management process
- Informs management and staff and motivates them to implement effective risk management practices
- Maintains a cost/benefit focus when developing risk treatment strategies
- Continuously strives to enhance risk management practices and processes.

4. DEFINITIONS

The Company has adopted the following definitions based on the AS/NZ Standard 4360 on "risk management":

Definition

Risk	An event or an action which could adversely affect the Company's ability to maximize shareholder value and achieve its business objectives. The Company's risks have been categorized as issues relating to: regulatory matters, human resources, occupational health and safety, environment, reputation, systems and processes & financial return.
Consequence	The outcome of an event expressed either in financial terms or qualitatively, being loss, injury, disadvantage or gain.
Likelihood	The possibility of an event occurring.
Mitigation Strategies	Activities undertaken by the business to reduce the level of risk of the Company.
Control	Specific processes, systems or procedures in place which form part of the risk mitigation strategies.
Risk Analysis	Systematic use of available information to determine how often specified events may occur and the magnitude of their consequence
Risk Categories	
Extreme	Immediate action required
High	Senior management attention needed
Moderate	Management responsibility must be specified
Low	Manage by routine procedures
Risk Likelihood	
Almost Certain	Is expected to occur in most circumstances or expected frequently throughout the year's activities.
Likely	Will probably occur in most circumstances or will occur many times during the year's activities.
Moderate	Might occur at some time or will probably occur at some time during the year's activities.
Unlikely	Could occur at some time or infrequently, may occur at some stage in the year's activities or in
	the further future.
Rare	May only occur in exceptional circumstances or improbably.

4.1 Risk Profile

Risk management requires consideration of the risk and reward in the execution of all its activities and a substantive link between risk analysis and strategic decision making.

The Company is philosophically risk adverse and to that end it aims in all practical circumstances to minimize its risk profile. The Company applies a range of operational techniques to minimize its risk profile. Some of these techniques include insurance, due diligence for new products and business ventures, compliance programs, external expert advice, continuous disclosure and so on.

To properly determine and minimize its risk profile the Company is committed to ongoing processes for the identification, assessment, monitoring and management of risks.

4.2 Risk Tolerance

The Company categorises risk as: Extreme, High, Moderate or Low. Risk mitigation strategies

and controls are required for all identified risks. Specific action treatment plans are required for risks with a residual likelihood level of high and above.

Risks will be reported on a Groupwide basis using a consistent basis for presentation to the Board of the Company (the "Board").

The Managing Director/CEO will separately report to the Board any emerging risks with a residual risk category of either High or Extreme and a likelihood of either Likely or Almost Certain. This is particularly important for issues relating to occupational health and safety and financial risks. These are expected to be identified either in the course of general risk management activities or via notification from the MANAGING DIRECTOR/CEO.

4.3 Accountabilities, Responsibilities and Reporting

Each person in the Company has a responsibility to manage and control risks within their areas of responsibility. Formal responsibility in relation to risk has been established to assist and promote risk management.

(a) Board

Responsible for the oversight, monitoring and review of risk management, including promulgation of this Policy. The Board may delegate to a sub-committee as deemed necessary.

(b) Managing Director/CEO and Senior Management Team

(a)

act as visible champions and promoters of prudent risk management practices across the Company.

The CEO gives an bi-annual assurance to the Board regarding risk management (refer to s. 8.2 of this Program).

(c) Senior Managers

Review of business with senior managers on a 6-monthly basis. This will include agreeing on emerging risks, the status of accepted risk mitigation strategies/controls, priorities and ensuring any such actions as are necessary to maintain an appropriate risk profile (refer to s.5 of this Policy) are adequately resourced.

Senior managers may be required to attend Board meetings to address risks with a residual rating of High or above (where the likelihood is also High or above) or to explain why any key risks mitigation strategies and control activities have not been performed on a timely basis.

(d) Management

Ensure that accepted risk mitigation strategies and controls, within their span of responsibility, are in place to ensure that risks are managed at an acceptable level (refer to s. 6 of this Program).

All managers have a responsibility to report all new risks and adverse changes to existing

risks to the Managing Director/CEO as soon as it comes to their attention.

5. RISK MANAGEMENT FRAMEWORK

5.1 Risk Management Process

The Company is committed to an effective risk management program, it has chosen to follow the requirements of the Australian/New Zealand Risk Management Standard.

Risk Process	Description
Risk Identification	Designed to identify the Company's exposure to uncertainty/possible events
Risk Analysis-Inherent	Consideration of the source of the risk, the consequence and likelihood if that risk occurred BEFORE any risk mitigation strategies and controls are put in place.
Risk Evaluation-Residual	Consideration of the potential exposure to the Company AFTER existing mitigation strategies and controls are considered. If a residual risk level is assessed as HIGH or EXTREME then a risk treatment plan must be auctioned. For risks with a residual assessment of Moderate or Low then controls and risk mitigation strategies should be monitored and periodically reviewed to ensure they continue to be effective.

Risk Treatment	Involves identifying a preferred option to reduce the risk assessment to an acceptable level. Options may include transferring the risk, reducing the potential consequences or implementing process changes to reduce the likelihood. These should be captured in specific risk action plans.
Monitor and Review	Risks will be monitored and reviewed on an ongoing basis, as will the effectiveness of controls and risk action plans.
Communicate and Consult	The effectiveness of this Policy and the Framework will be assessed formally on a regular basis. It is expected that, as the business matures, so will its risk management processes.

5.2 Certifications

As required by the Principle, the Managing Director/CEO will state to the Board bi-annually that:

"...The company's financial accounts present a true and fair view, in all material respects, of the company's financial condition and operational results are in accordance with relevant accounting standards.

This statement as given is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

The Company's risk management and internal compliance and control systems are operating efficiently and effectively in all material respects."

5.3 Compliance

The Company is fully committed to ensuring compliance with its statutory and regulatory responsibilities. The Company maintains a rigorous compliance program. The results of that program are reported to the Board on a regular basis.

5.4 Assessment of Effectiveness

All risk owners are responsible for the timely execution of agreed upon risk mitigation strategies and controls. The outcomes of their actions are tracked through the Company's risk management registers. The outcomes are reported to the Board.

Periodically the Compliance Manager will conduct a review of the effectiveness of the level of control for specific risk categories.

From time to time the Board may request independent reviews of the overall effectiveness of the Company's risk management framework.

5.5 Internal Review and Self-Assessment

The Company is committed to ensuring it receives appropriate assurance that its risk measures are effective and are being implemented in accordance with its adopted risk

management framework. To this end the Company may adopt a controlled self-assessment reviews of its risk management processes from time to time.

The outcomes from any such reviews and assessments will be reported to the Board.

6. REVIEW OF RISK PROGRAM

The Risk Program is subject to regular review by the Board and will be amended, as required, including any such regulatory changes.

7. ACCESS TO RISK PROGRAM

This Program is available for viewing by any employee on the Company's' intranet.

APPENDIX 3 RISK PARAMETERS

1. Impact/Consequence Parameters

<u>Aspect</u>	<u>Insignificant</u>	<u>Minor</u>	<u>Moderate</u>	<u>Major</u>	<u>Catastrophic</u>
Cashflow Impact	<1% of NTA	1-3% of NTA	4-10% of NTA	10-25% of NTA	>25% of NTA

Reputation/medi a attention	Low impact Local news item	Slight Impact Minor adverse publicity in the particular locations	Negative publicity leading to high levels of attention to operations High level news profile (local level and State level)	Consistent adverse attention Sustained adverse publicity at a State and National level	Sustained adverse attention at both State and National level, resulting in 3 rd party actions. Continued, sustained adverse publicity at a State and National level. A disaster with potential to lead to the collapse of the company.
Management effort	Unlikely to need specific applications of resources	Manage by routine procedures	Manage by specific monitoring or response procedures. Management responsibility must be specific	Senior management attention is required Senior management responsibility specified.	Significant senior management effort is required. Must be managed by senior management with detailed plans.
Intervention by regulators	Technical breach of regulations which does not affect clients or investors	Breach of regulations which draws regulators attentions and results in an investigatio	Significant breach as a result of which additional regulatory requirement are imposed which are	Actioned breach of regulations creating additional requirement which require additional	Removal from ASX.

<u>Aspect</u>	<u>Insignificant</u>	<u>Minor</u>	<u>Moderate</u>	<u>Major</u>	<u>Catastrophic</u>
		n but does not result in	managed within normal	management resources.	
		additional requirements.	business activities.		
Safety	First aid treatment case/minor health	Medical treatment required – resulting in	Injury/stress resulting in short-term health	Serious injury/stress resulting in hospitalisatio	Multiple injuries, extended hospitalisati

	inconvenience-no lost time,	Lost Time Injury (LTI).	problem to individual.	n or long-term health problems to the individual.	on or fatality.
		Regulatory breach but	Regulatory breach,	Regulatory breach	Regulatory breach
	No regulatory breach.	no additional requirements.	additional requirement imposed which are managed within normal business activities.	Regulatory breach resulting in additional requirement and fines creating additional demands on operations.	resulting in 3 rd party legal actions impacting on ongoing operations.
Environment	No lasting detrimental effect on the environment	Short term local detrimental effect on the environment. Effects confined to small area and not accumulating.	On-site release contained with outside assistance-recovery possible-effect not accumulating. Regulatory breach, additional requirement imposed which are managed within normal business activities.	Long-term detrimental impact – chronic or significant discharge of chemicals over a local area. Destruction of threatened flora/fauna or damage to registered heritage site. Regulatory breach resulting in additional requirement and fines, creating additional	Extreme detrimental long-term impact on the environment and/or extensive discharge of persistent pollutant to one or more ecosystems or over an extensive area. Destruction of threatened flora/fauna species or registered heritage site. Regulatory

<u>Aspect</u>	<u>Insignificant</u>	<u>Minor</u>	<u>Moderate</u>	<u>Major</u>	<u>Catastrophic</u>
				demands on operations.	breach resulting in third party
					legal action impacting on ongoing operations.

2. Likelihood Parameters

Likelihood	
Almost Certain	Is expected to occur in most circumstances or expected frequently throughout the year's activities
Likely	Will probably occur in most circumstances or will occur many times during the year's activities.
Moderate	Might occur at some time or will probably occur at some time during the year's activities.
Unlikely	Could occur at some time or infrequently, may occur at some stage in the year's activities or in the further future.
Rare	May only occur in exceptional circumstances or improbably.

3. Risk Categories

Risk Categories	
Extreme	Immediate action required
High	Senior management attention needed
Moderate	Management responsibility must be specified
Low	Manage by routine procedures

4. Risk Rating Table

		Consequences				
		1. Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	Almost Certain	High	High	Extreme	Extreme	Extreme
	1. Likely	Moderate	High	High	Extreme	Extreme
	1. Moderate	Low	Moderate	High	Extreme	Extreme
	1. Unlikely	Low	Low	Moderate	High	Extreme
	1. Rare	Low	Low	Moderate	High	High

5. Control Effectiveness Rating

Control Effectiveness Rating
Strong
Stable
Improvements in progress
Improvements required
Immediate action required

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Risk Identification and Assessment Sheet: Board Assessment - Strategic Risk Issues

Identified Risk	Inherent Risk Assessment			Control Measures Identified	Control Effectiveness	Residual Risk Assessment		
	Impact	Likelihood	Inherent Risk Rating			Residual Risk Rating		
Market Risks								
Competitive advantages eroded by new market players/ changes in target market needs.	Major	Moderate	High	•	Stable	Moderate	Unlikely	Moderate
				•				
				•				
				•				
Supply Risks								
				•				
				•				
				•				
				•				
Funding Risks								
				•				
				•				
				•				
Product Risks								

Identified Risk	Inherent Risk Assessment			Control Measures Identified	Control Effectiveness	Residual Risk Assessment
	Impact	Likelihood	Inherent Risk Rating			
				•		
				•		
				•		
				•		
Organisational Risks						
				•		
Legal Risks						
				•		

<i>Residual Assessment</i>	<i>Management Outcomes:</i>
E-Extreme-	Immediate action required
H-High-	Senior management attention needed
M-Moderate	Management responsibility must be specified
L – Low:	Manage by routine procedures