

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

MAGNIS ENERGY TECHNOLOGIES LTD

ABN:

26 115 111 763

Financial year ended:

30 June 2020

Our Corporate Governance Statement² for the above period above is included with this document can be found at:³

- These pages of our annual report:
- This URL on our website: <http://magnis.com.au/corporate/corporate-directory>

The Corporate Governance Statement is accurate and up to date as at 29 October 2020 and has been approved by the board.

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

Date: 30 October 2020

Print name: Frank Giordano



Signature:

Company Secretary

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

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

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

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

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

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

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

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... |
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| 1.4 | The Company Secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board. | <p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.5 | <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> | <p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at ... and a copy of our diversity policy or a summary of it: <input checked="" type="checkbox"/> at https://www.magnis.com.au/corporate/corporate-governance ... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> ... and the information referred to in paragraphs (c)(1) or (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> | <input checked="" type="checkbox"/> the Company's gender diversification targets were generally not met during the year owing to unfavourable fiscal circumstances for our industry that resulted in workforce numbers remaining relatively the same, which precluded any increased employment opportunities, however a female Chief Financial Officer was appointed to the senior management team in August 2018, replacing the former male employee who held the position before resigning from the Company. OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

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

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| PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE | | | |
| 2.1 | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location here]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.2 | <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p> | <p>... our board skills matrix:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.3 | <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> | <p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... |
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| <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p> | <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> <p>... the length of service of each director:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input checked="" type="checkbox"/> in the 2020 Annual Report</p> | |
| <p>2.4 A majority of the board of a listed entity should be independent directors.</p> | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| <p>2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p> | <p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> | <p><input checked="" type="checkbox"/> that the Chairman is an Executive Director and a significant shareholder. However, three of the other four Directors are Non-Executive and independent. The Chairman is not the same person as the CEO of the Company.</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| <p>2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p> | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... | |
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| PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY | | | |
| 3.1 | A listed entity should: <ul style="list-style-type: none"> (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. | ... our code of conduct or a summary of it: <ul style="list-style-type: none"> <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> | <input checked="" type="checkbox"/> the Board has been tasked with monitoring and ensuring the integrity of the senior executives and employees and their ethical behaviour |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... | |
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| PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING | | | |
| 4.1 | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at https://www.magnis.com.au/corporate/corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input checked="" type="checkbox"/> in the 2020 Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 4.2 | <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p> | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... |
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| 4.3 | A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | <p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable |
| PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE | | | |
| 5.1 | A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it. | <p>... our continuous disclosure compliance policy or a summary of it:</p> <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> | <input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS | | | |
| 6.1 | A listed entity should provide information about itself and its governance to investors via its website. | <p>... information about us and our governance on our website:</p> <input checked="" type="checkbox"/> at http://magnis.com.au/corporate/corporate-directory | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 6.2 | A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors. | <p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |
| 6.3 | A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders. | <p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i> | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable |
| 6.4 | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | <p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR | <input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... | |
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| | <input type="checkbox"/> at [insert location here] | | |
| PRINCIPLE 7 – RECOGNISE AND MANAGE RISK | | | |
| 7.1 | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location here]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> | <p><input checked="" type="checkbox"/> currently risk and risk mitigation is managed by the Board as a whole</p> |
| 7.2 | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | <p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at [insert location here]</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |
| 7.3 | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... |
|---|--|--|
| <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> | <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i></p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i></p> | |
| <p>7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p> | <p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location here]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... | |
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| PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY | | | |
| 8.1 | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | <p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at https://www.magnis.com.au/corporate/corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 8.2 | <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p> | <p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> | <p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 8.3 | <p>A listed entity which has an equity-based remuneration scheme should:</p> | <p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement</p> | <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> |

| Corporate Governance Council recommendation | We have followed the recommendation in full for the whole of the period above. We have disclosed ... | We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... |
|---|--|--|
| <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p> | <p>OR</p> <p><input type="checkbox"/> at <i>[insert location here]</i></p> | <p>OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable</p> <p>OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

CORPORATE GOVERNANCE STATEMENT

The Company is committed to the pursuit of creating value for shareholders, while at the same time meeting shareholders' expectations of sound corporate governance practices. As with all its business activities, the Company is proactive in respect of corporate governance and puts in place those arrangements which it considers are in the best interests of shareholders, and consistent with its responsibilities to other stakeholders.

THE BOARD OF DIRECTORS

The Board determines the corporate governance arrangements of the Company.

This statement discloses the Company's adoption of the Corporate Governance Principles and Recommendations [3rd edition] (the "Principles") released by the Australian Securities Exchange Corporate Governance Council in March 2014, effective 1 July 2014. The Principles can be viewed at www.asx.com.au. The Principles are not prescriptive; however, listed entities (including the Company) are required to disclose the extent of their compliance with the Principles, and to explain why they have not adopted a Principle (the 'if not, why not' approach). The Principles have operated throughout the year unless otherwise indicated.

In 2017, the ASX Corporate Governance Council ["Council"] agreed that it was an appropriate time to commence work on a 4th edition of the Principles and Recommendations to address, among other things, emerging governance issues around corporate culture and social licence to operate. The 4th edition was released in February 2019 and will take effect for a listed entity's first full financial year commencing on or after 1 January 2020. Entities with a 30 June balance date, such as Magnis, will be required to measure their governance practices against the recommendations in the 4th edition commencing with the financial year beginning 1 July 2020 and ending on 30 June 2021.

The table at the end of this statement provides cross references between the disclosures and statements in this Corporate Governance Statement and the relevant Principles.

ROLE OF THE BOARD

The Directors must act in the best interests of the Company and, in general, are responsible for, and have the authority to determine, all matters relating to the policies, management and operations of the Company.

The Board's responsibilities, in summary, include:

- providing strategic direction and reviewing and approving corporate strategic initiatives;
- overseeing and monitoring organisational performance and the achievement of the Company's strategic goals and objectives;
- appointing, monitoring the performance of, and, if necessary, removing the Chief Executive Officer and/or Managing Director;
- ratifying the appointment or removal, and contributing to the performance assessment of the members of the senior management team;
- planning for Board and executive succession;
- ensuring there are effective management processes in place and approving major corporate initiatives;
- adopting an annual budget and monitoring management and financial performance and plans;
- monitoring the adequacy, appropriateness and operation of internal controls;
- identifying significant business risks and reviewing how they are managed;
- considering and approving the Company's Annual Financial Report and the quarterly Cashflow and Activities reports;
- enhancing and protecting the reputation of the Company;
- reporting to, and communicating with, shareholders; and

- setting business standards and standards for social and ethical practices.

Day to day management of the Company and implementation of Board policies and strategies has been formally delegated to senior executives and management. It is the responsibility of the Board to oversee the activities of management in executing delegated tasks. In particular, the Board has delegated management responsibility for:

- delivering key objectives and milestones in accordance with market expectation as are set by the Company;
- developing project budgets for capital and operating expenditure for Board review and, if appropriate, approval;
- developing and maintaining an effective risk management framework and keeping the Board and the market fully informed about risk;
- the prudent management of the Company's cash reserves in accordance with the approved annual operating budget;
- regulatory compliance across all jurisdictions in which the Company undertakes business covering amongst other things health and safety, tax, accounting and company reporting.

COMPOSITION OF THE BOARD

The entire Board is currently constituted by five Directors, comprising three Non-Executive Directors with a broad range of skills, expertise and experience, and all of whom add value to the operation of the Board. The Board is comprised of three Independent Directors, an Executive Director and an Executive Chairman who has a shareholder stake of over 2.2% in the Company.

The independence of Directors is important to the Board. Independence is determined by objective criteria acknowledged as being desirable to protect investor interests and optimise value to investors. The Board regularly assesses the independence of its Directors. In determining the status of a Director, the Company considers that a Director is independent when he or she is independent of management and free of any business or other relationship (for example a significant shareholding) that could materially interfere with, or could reasonably be perceived to interfere with the exercise of unfettered and independent judgement. The Company's criteria for assessing independence are in line with standards set by the Principles.

The appointment and removal of Directors is governed by Company's Constitution. Under the Constitution, the Board must comprise of a minimum of three Directors. Given the Board is considered majority Non-Executive, the Board does maintain a Nominations & Remuneration Committee [Committee] that was established as a result of the re-constitution of the previous Remuneration Committee arising from the Corporate Governance Review announced by to the ASX on 15 May 2020. The Committee is itself responsible for selecting and recommending to the Board candidates to fill any casual vacancies that may arise on the Board from time to time. Directors who have been appointed to fill casual vacancies must offer themselves for election at the next Annual General Meeting of the Company [AGM]. In addition, at each AGM, at least one Director must be a candidate for re-election and no Director shall serve more than three years without being a candidate for re-election (consistent with the requirements of the Company's Constitution).

In making decisions regarding the appointment of Directors, the Board assesses the appropriate mix of skills, experience and expertise required by the Board and assesses the extent to which the required skills and experience are represented on the Board. When a vacancy exists, the Board determines the selection criteria based on the skills deemed necessary. The Committee identifies potential candidates, and if appropriate, will utilise an external consultant to assist in identifying potential candidates. The Board then appoints the most suitable candidate based upon the recommendation of the Committee.

The Committee will undertake appropriate background checks and screening checks prior to nominating a Director for election by shareholders and provides to shareholders all material information in its possession concerning the Director standing for election or re-election in the explanatory notes to accompany the notice of meeting. New Directors will participate in an induction program to assist them to understand the Company's business and the particular issues it faces.

The Board collectively has the right to seek independent professional advice as it sees fit. Each Director individually has the right to seek independent professional advice, subject to the approval of the Chairman. All Directors have direct access to the Company Secretary.

CORPORATE GOVERNANCE STATEMENT

Directors also have complete access to the senior management team. In addition to regular reports by senior management to the Board meetings, Directors may seek briefings from senior management on specific matters and are entitled to request additional information and to ask questions at any time when they consider it appropriate.

BOARD COMMITTEES

The Board generally operates as a whole across the range of its responsibilities but, to increase its effectiveness, uses committees where closer attention to particular matters is required given the nature and scale of the Company's operations. During the reporting period, the Board maintained three Board Committees covering Remuneration, Audit, and Sustainability. Details regarding the number of Board meetings and committee meetings held during the year and the attendance of each member is set out in the 2020 Financial Report which forms part of the Annual Report. [The Board held nine meetings in the year ended 30 June 2020.]

Remuneration Committee

The Remuneration Committee, during the main part of the reporting period, was comprised of two Non-Executive Directors Messrs. Frank Poullas (Chairman) and Johann C Jooste-Jacobs and Managing Director, Mr. Marc Vogts.

As per the Company's ASX announcement re Corporate Governance Review dated 15 May 2020, the newly constituted Nominations & Remuneration Committee (previously known as the Remuneration Committee) was then comprised of Non-Executive Director, Mr Johann C Jooste-Jacobs, as Chairman, Non-Executive Director, Professor Stanley Whittingham, as a newly appointed member, and Executive Chairman, Mr Frank Poullas, as a continuing member. The status of Mr Frank Poullas changed from Non-Executive Chairman to Executive Chairman as per the Company's ASX announcement on 15 May 2020. A copy of the Nominations & Remuneration Committee Charter approved by the Board in April 2020 is accessible from the Company's website: <https://www.magnis.com.au/corporate/corporate-governance>

Following the appointments of Mr James Dack as Executive Director and the Hon Troy Grant as a Non-Executive Director to the Board on 15 June 2020 and 23 June 2020 respectively, the composition of the Committee changed on 29 July 2020 with the Hon Troy Grant as newly appointed Chairman, Professor Stanley Whittingham as a continuing member and Mr James Dack as a new member.

The Committee advised the Board on remuneration and incentive policies and practices. It makes specific recommendations on remuneration packages and other terms of employment for senior executives and Non-Executive and Executive Directors.

Any increase in the maximum remuneration of Non-Executive and Executive Directors is the subject of shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, as applicable.

The Board may award additional remuneration to Non-Executive and Executive Directors called upon to perform extra services or undertake special duties on behalf of the Company.

The Committee identified suitable candidates to fill Board vacancies and nominated candidates for the approval of the Board.

Audit Committee

The Audit Committee, during the main part of the reporting period, had three Non-Executive Directors which comprised of Mr. Johann C Jooste-Jacobs (Chairman), Mr. Frank Poullas, and Mr Peter Tsegas.

As per the Company's ASX announcement re Corporate Governance Review dated 15 May 2020, the newly constituted Audit & Risk Committee (previously known as the Audit Committee) was then comprised of Non-Executive Director, Mr Johann C Jooste-Jacobs, as Chairman, Non-Executive Director, Professor Stanley Whittingham, as a newly appointed member, and Executive Chairman, Mr Frank Poullas as a continuing member. A copy of the Audit & Risk Committee Charter approved by the Board in April 2020 is accessible from the Company's website: <https://www.magnis.com.au/corporate/corporate-governance>

Following the appointments of Mr James Dack as Executive Director and the Hon Troy Grant as a Non-Executive Director to the Board on 15 June 2020 and 23 June 2020 respectively, the composition of the Committee altered on 29 July 2020 with the Hon Troy Grant as newly appointed Chairman, Professor Stanley Whittingham as a continuing member and Executive Chairman, Mr Frank Poullas, as a continuing member.

The main responsibilities of the Committee were, inter alia, to:

CORPORATE GOVERNANCE STATEMENT

- review and report to the Board on the periodic reports and financial statements;
- provide assurance to the Board that it is receiving adequate, timely and reliable information;
- assist the Board in reviewing effectiveness of the Company's internal control environment;
- compliance with applicable laws such as the Corporations Act, the ASX Listing Rules, and other legislative and reporting requirements;
- reliability of financial reporting, including the review of significant accounting policies to ensure compliance with accounting standards;
- manage the performance of the external auditors and make recommendations in respect of the appointment of the external auditors;
- ensure that the annual audit and half-year review are conducted in an efficient manner;
- monitoring developments in corporate governance practices; and
- ensuring management has processes to manage and report on significant financial risks facing the business.

The Audit & Risk Committee reviews the performance of the external auditors on an annual basis. A representative of the Committee meets with the auditors during the year to discuss the external audit plan, any significant problems that may arise, and to review the fees proposed for the audit work to be performed.

Any written matters raised by the auditors are discussed and dealt with at full board meetings. The auditors, by request, may attend audit committee meetings and board meetings to discuss any matter that they believe warrants attention by the Board. The auditors also attend the Annual General Meeting of shareholders of the Company to answer questions in respect of the Company's Annual Financial Report and the conduct of the annual audit.

Sustainability Committee

The Sustainability Committee, during the main part of the reporting period, comprised of Non-Executive Directors, Messrs Frank Poullas, Leslie Hosking and Peter Tsegas (Chairman).

As per the Company's ASX announcement re Corporate Governance Review dated 15 May 2020, the newly constituted Health, Safety and Sustainability Committee, [previously known as the Sustainability Committee], was then comprised of Non-Executive Director, Mr. Peter Tsegas, as Chairman, and Non-Executive Director, Professor Stanley Whittingham, as a newly appointed member and Non-Executive Director, Mr Johann C Jooste -Jacobs, as a newly appointed member. A copy of the Health, Safety and Sustainability Committee Charter approved by the Board in April 2020 is accessible from the Company's website: <https://www.magnis.com.au/corporate/corporate-governance>

Following the appointments of Mr James Dack as Executive Director and the Hon Troy Grant as a Non-Executive Director to the Board on 15 June 2020 and 23 June 2020 respectively, the composition of the Committee altered on 29 July 2020 with Mr Peter Tsegas continuing as the Chairman, the Hon Troy Grant as a newly appointed member, and Executive Chairman, Mr Frank Poullas, as a newly appointed member.

The responsibilities of the Committee include:

- monitoring of the Company's performance on health, safety, sustainability and corporate responsibility matters;
- monitoring the Company's compliance with Health, Safety and Environment legislation;
- review and oversee the development and implementation of policies and procedures that will allow the Company to operate its business in a safe, sustainable and ethical manner;
- review initiatives and practices in respect of the Company's community engagement and social responsibility; and
- reviewing and recommending to the Board any changes to be made to the Company's Code of Conduct and reviewing the effectiveness of the systems for monitoring compliance.

PERFORMANCE EVALUATION AND REMUNERATION

Performance Evaluation

In prior reporting periods, the Board has not undertaken any level of formal performance evaluation of Directors. At an informal level, however, the Chairman frequently consults in each reporting period with the other Directors seeking guidance on ways in which the Board as a whole, as well as each individual Director, can improve its contribution and performance to the execution by the Board of its responsibilities.

As the operations of the Company increase, it is proposed that a performance review will be annual and will involve all Directors completing a questionnaire including allowance for additional comments or raising any issues relating to the Board's or a Committee's operation. The results of the review will be compiled by the Chairman and discussed with Board members as a whole at an appropriate Board meeting. The purpose of the review is to assess the strengths and weaknesses of the Board and Committees and identify areas that might be improved. The findings of the performance review will be considered by the Board and continue to be taken into account in identifying and nominating new candidates for appointment as Director, and in planning and conducting Board and committee matters. Directors are able to raise concerns regarding an individual Director's performance with the Chairman at any time during the year.

The performance of the incumbents of the Chief Executive Officer (CEO) and Managing Director (MD) roles, if applicable, is reviewed by the Board on a periodic basis. The Chairman co-ordinates the comments of all Directors to provide a written assessment to the CEO/MD.

The performance of the Company's senior executives is reviewed by the MD as part of the annual remuneration review process and reported to the Remuneration Committee. The reviews usually take place in July/August of each year. Further details regarding the remuneration review process are set out in the Remuneration Report.

Director and Executive Remuneration

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced personnel. Performance, duties and responsibilities, market comparison and independent advice are all considered as part of the remuneration process. The total remuneration paid to Directors and key management personnel for the reporting period is set out in the Remuneration Report.

Directors' fees are reviewed annually and are benchmarked against fees paid to Directors of similar organisations. Directors are not provided with retirement benefits other than statutory superannuation and do not participate in employee incentive schemes although may be issued unlisted share options as is set out in the Directors Report of the Company's Financial Report.

To ensure that the Company's senior executives properly perform their duties, the following procedures are in place:

- performance is assessed each year as part of the Company's employee performance review process; the full year achievement review takes place each year;
- all senior management were assessed in terms of their achievements for the period;
- there is a strong link between the outcomes of this performance review process and the subsequent remuneration review as outlined in the Remuneration Report; and,
- senior management are provided with access to continuing education to update and enhance their skills and knowledge.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Company has a formalised risk management framework encompassing market, financial, liquidity and corporate governance risk. The identification and effective management of risk, including calculated risk taking is viewed as an essential part of the Company's approach to creating long term shareholder value. Compliance with risk management policies is monitored by the Board.

GOVERNANCE POLICIES

Integrity, ethical standards and compliance

CORPORATE GOVERNANCE STATEMENT

The Company is committed to being a good corporate citizen within all jurisdictions that it undertakes its business activities, and the Board has undertaken to ensure that the Company implements:

- practices necessary to maintain confidence in the Company's integrity;
- practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and,
- responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Company adopted a Code of Conduct for its Directors and employees and a Whistleblowing Policy on 15 May 2020, The Board is responsible for maintaining corporate integrity and ethical behaviour to the Board and seeks to set the standards for dealing ethically with employees, investors, customers, regulatory bodies and the financial and wider community, and the responsibility and accountability of individuals for reporting and investigating reports of unethical behaviour.

Directors are provided with Board reports in advance of Board meetings which contain sufficient information to enable informed discussion of all agenda items.

The Board has the responsibility for the integrity of the Company's financial reporting. To assist the Board in fulfilling its responsibility, the processes discussed below have been adopted with a view to ensuring that the Company's financial reporting is a truthful and factual presentation of the Company's financial performance and position.

Dealing in Securities

The Company has in place a formal Security Trading Policy which regulates the manner in which Directors and staff involved in the management of the Company can deal in Company securities. It requires that they conduct their personal investment activities in a manner that is lawful and avoids conflicts between their own interests and those of the Company and contains all contents suggested in the ASX Corporate Governance Principles and Recommendations.

The Policy specifies trading blackouts as the periods during which trading securities cannot occur. Trading is always prohibited if the relevant person is in possession of non-public price sensitive information regarding the Company. A copy of the current Security Trading Policy is available on the Company's website. The Policy was updated in July 2018 and most recently in November 2018 for cosmetic changes with the change in the Company's name from Magnis Resources Limited to Magnis Energy Technologies Ltd.

Diversity

The Company recognises the value contributed by employing people with varying skills, cultural backgrounds, ethnicity and experience and believes its diverse workforce is the key to its continued growth, improved productivity and performance.

The Company actively values and embraces the diversity of its employees and is committed to creating an inclusive workplace where everyone is treated equally and fairly and where discrimination, harassment and inequity is not tolerated. The Company is committed to fostering diversity at all levels. However, no measurable objectives were set during the reporting period.

The Company's gender diversification targets were generally not met during the financial year owing to unfavourable fiscal circumstances for our industry that resulted in workforce numbers remaining relatively the same, which precluded any increased employment opportunities, however a female Chief Financial Officer (CFO) was appointed to the senior management team in August 2018, replacing the former male employee. The CFO unfortunately resigned from the Company in March 2020.

The Board adopted a Diversity Policy on 10 September 2020.

Health, safety and environment

The Company has continued its emphasis on health and safety in the workplace with the aim of ensuring that people achieve outcomes in a safe manner, thereby contributing to operational effectiveness and business sustainability. The Company has an occupational health and safety plan and a management system in place. The Company's safety performance is reported regularly to the Board to assist the Board in monitoring compliance with the Company's policy and the relevant regulatory requirements.

During the reporting period there were no reported environmental incidents and no Lost Time Injuries (LTI's).

CONTINUOUS DISCLOSURE AND COMMUNICATIONS WITH SHAREHOLDERS

The Company is committed to providing relevant and timely information to its shareholders and to the broader market, in accordance with its obligations under the ASX continuous disclosure regime.

The Board complies with the following processes to ensure that information is communicated to shareholders and the wider market:

- the Company's website www.magnis.com.au is updated regularly with business activity information and is linked to all announcements published on the ASX;
- the Annual Report is distributed to eligible shareholders via manual postage or electronic delivery format (email). The Board ensures that the Annual Report includes relevant information about the operations of the group during the year, changes in the state of affairs of the group and details of future developments, in addition to other disclosures required by Corporations Act, 2001;
- quarterly reports and half-yearly financial statements are lodged with the ASX and copies are sent to any shareholder upon request;
- any proposed major changes in the group which may impact on the share ownership rights would be submitted to a vote of shareholders;
- the Board ensures that the continuous disclosure requirements of the ASX are fully complied with, ensuring that shareholders are kept informed on significant events affecting the group, consistent with the Continuous Disclosure Policy that was adopted by the Board on 5 August 2020; and
- investor roadshows are held periodically throughout Australia and internationally. Where they contain new information, investor and roadshow presentations are released to the ASX and included on the Company's website.

CONTINUOUS REVIEW OF CORPORATE GOVERNANCE

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as Directors of the Company. Such information must be sufficient from time to time in light of changing circumstances and economic conditions. The Directors recognise that mineral exploration and pre-development of materials and manufacturing is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

ASX CORPORATE GOVERNANCE COUNCIL'S PRINCIPLES AND RECOMMENDATIONS

| ASX Principle | Compliance | |
|---|---|---|
| Principle 1: Lay solid foundation for management and oversight | | |
| 1.1 | A listed entity should disclose: (a) the respective roles and responsibilities of its Board and management; and, (b) those matters expressly reserved to the Board and those delegated to management. | Comply |
| 1.2 | A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and, (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director. | Comply |
| 1.3 | A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment. | Comply |
| 1.4 | The Company Secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. | Comply |
| 1.5 | A listed entity should: (a) have a diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and, (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the Board or a relevant Committee of the Board in | Comply. A Diversity Policy was adopted by the Board on 10 September 2020. |

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| | <p>accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <p>(1) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> | |
| 1.6 | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p> | Comply |
| 1.7 | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and,</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p> | Comply |
| Principle 2: Structure the Board to add value | | |
| 2.1 | <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent Directors; and</p> <p>(2) is chaired by an independent Director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have the nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | Comply |
| 2.2 | A listed entity should have and disclose a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership. | Does not comply, however the Board intends to implement a skills matrix to achieve compliance with this principle. |
| 2.3 | <p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors;</p> <p>(b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and</p> <p>(c) the length of service of each Director.</p> | Comply |
| 2.4 | A majority of the Board of a listed entity should be independent Directors. | Comply |
| 2.5 | The chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity. | Comply |
| 2.6 | A listed entity should have a program for inducting new Directors and provide appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively. | Comply |
| Principle 3: Act ethically and responsibly | | |
| 3.1 | <p>A listed entity should:</p> <p>(a) have a code of conduct for its Directors, senior executives and employees; and</p> | Comply |

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| | (b) disclose that code or a summary of it. | |
| Principle 4: Safeguard integrity in corporate reporting | | |
| 4.1 | <p>The Board of a listed entity should:</p> <p>(a) have an Audit Committee which:</p> <p>(1) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p>(2) is chaired by an independent Director, who is not the chair of the Board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</p> | Comply |
| 4.2 | The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. | Comply |
| 4.3 | A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit. | Comply |
| Principle 5: Make timely and balanced disclosure | | |
| 5.1 | <p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and,</p> <p>(b) disclose that policy or a summary of it.</p> | Comply |
| Principle 6: Respect the rights of security holders | | |
| 6.1 | A listed entity should provide information about itself and its governance to investors via its website. | Comply |
| 6.2 | A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors. | Comply |
| 6.3 | A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders. | Comply |
| 6.4 | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically. | Comply |
| Principle 7: Recognise and manage risk | | |
| 7.1 | <p>The Board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent Directors; and</p> <p>(2) is chaired by an independent Director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</p> | Comply. The previous Audit Committee was re-constituted as the Audit & Risk Committee as per the Corporate Governance Review announced on 15 May 2020. |
| 7.2 | <p>The Board or a committee of the Board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p> | Comply |
| 7.3 | A listed entity should disclose: | Comply |

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| | <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> | |
| 7.4 | A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. | Comply |
| Principle 8: Remunerate fairly and responsibly | | |
| 8.1 | <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p style="padding-left: 40px;">(1) has at least three members, a majority of whom are independent Directors; and</p> <p style="padding-left: 40px;">(2) is chaired by an independent Director,</p> <p style="padding-left: 40px;">and disclose:</p> <p style="padding-left: 40px;">(3) the charter of the committee;</p> <p style="padding-left: 40px;">(4) the members of the committee; and</p> <p style="padding-left: 40px;">(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</p> | Comply |
| 8.2 | A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives. | Comply |
| 8.3 | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p> | Does not comply. The current Remuneration Policy that is disclosed in the Financial Report document does not cover the areas of use of derivatives or otherwise, however the Nominations & Remuneration Committee will look at possibly implementing changes in this area. |

All references are to sections of this Corporate Governance Statement unless otherwise stated.

