ASX

AUSTRALIAN SECURITIES EXCHANGE

MARKET RELEASE

28 April 2016

Cabral Resources Limited

PRE-REINSTATEMENT DISCLOSURE

Cabral Resources Limited (the "Company") will be reinstated to official quotation as from the commencement of trading on Friday, 29 April 2016.

The following information is released as pre-reinstatement disclosure.

1. Distribution schedule.
2. Top 20 holders.
3. Statement of capital structure.
4. Full terms and conditions of options.
5. Updated pro-forma balance sheet.
6. Updated statement of expenditure.
7. Statement on compliance with Listing Rules.
8. Company's registered office and contact details.
9. Corporate Governance Statement.

Security Code: CBS
CBSO

Mauro Piccini
Senior Adviser, Listings Compliance (Perth)

Cabral Resources Limited ACN 064 874 620

Pre-reinstatement Disclosure

The following information is provided by Cabral Resources Limited (**Company**) for release to the market in connection with the reinstalment of its securities to quotation on ASX.

1. Top 20 holders of each class of securities to be quoted

1.1 Top 20 Shareholders

Rank	Shareholder	Shares	Percentage
1	Mr Tyler John Formica	5,500,000	4.32%
2	Lantech Developments Pty Ltd <Claire Family A/C>	5,000,000	3.92%
3	Mr Gregory John Bandy	4,000,000	3.14%
4	Mr Grant Anthony Murphy <GM Investment A/C>	3,750,000	2.94%
5	Mr Julian Michael Babarczy	3,500,000	2.75%
6	Sisu International Pty Ltd	3,500,000	2.75%
7	Cinque Holdings Pty Ltd	2,500,000	1.96%
8	R & D Adams Superannuation Fund Pty Ltd <T & D Adams Super Fund A/C>	2,500,000	1.96%
9	Albatross Pass Pty Ltd	2,500,000	1.96%
10	Alitime Nominees Pty Ltd <Honeyham Family A/C>	2,000,000	1.57%
11	Domran Investments Pty Ltd	2,000,000	1.57%
12	Mr Ariel Edward King	2,000,000	1.57%
13	Moltoni Super Pty Ltd <Moltoni Super Fund A/C>	1,500,000	1.18%
14	LAPJ Nominees Pty Ltd	1,500,000	1.18%
15	Mr Steven John Pearce	1,500,000	1.18%
16	S3 Consortium Pty Ltd	1,500,000	1.18%
17	Alignment Capital Pty Ltd	1,500,000	1.18%
18	Magna Equities II LLC	1,500,000	1.18%
19	Mr Nicolo Floyd Bontempo <Bontempo Family A/C>	1,500,000	1.18%
20	OTB Investments Pty Ltd	1,450,000	1.14%
Total Top 20 Shareholders		50,700,000	**39.82%**

1.2 **Top 20 Optionholders**

Listed Options exercisable at $0.04 on or before 30 October 2019

Rank	Optionholder	Options	Percentage
1	CPS Capital Group Pty Ltd	11,500,000	23.00%
2	Mr Ariel Edward King	10,000,000	20.00%
3	First One Realty Pty Ltd	3,900,000	7.80%
4	Lake Springs Pty Ltd <The Lake Springs S/F A/C>	3,700,000	7.40%
5	Albatross Pass Pty Ltd	2,500,000	5.00%
6	Domran Investments Pty Ltd	2,000,000	4.00%
7	Mr Tyler John Formica	2,000,000	4.00%
8	CPS Capital Group Pty Ltd	1,600,000	3..20%
9	Mr Stephen Brockhurst	1,080,000	2.16%
10	Mr David Charles Neesham & Mrs Pamela Christine Neesham <DC & PC Neesham Super A/C>	1,000,000	2.00%
11	Greenwood Resources Pty Ltd	1,000,000	2.00%
12	WLP Investments Pty Ltd	800,000	1.60%
13	Cinque Holdings Pty Ltd	500,000	1.00%
14	Lantech Development Pty Ltd <Claire Family A/C>	500,000	1.00%
15	Ellaz Pty Ltd <The Ripper Family A/C>	500,000	1.00%
16	Mr Edmund Teck Hwang Lim	462,000	0.92%
17	Alitime Nominees Pty Ltd <Honeyham Family A/C>	450,000	0.90%
18	Mr David Peter Valentino	438,000	0.87%
19	Baytower Holdings Pty Ltd <The Mun Family Trust>	400,000	0.80%
20	David Palumbo	400,000	0.80%
Total Top 20 Optionholders		44,730,000	**89.46%**

2. Distribution schedule

2.1 **Shareholders**

Range	Total shareholders	Shares	Percentage
1 – 1,000	907	217,950	0.17
1,001 – 5,000	162	440,720	0.35
5,001 – 10,000	40	324,177	0.26
10,001 – 100,000	229	11,964,114	9.40
100,001 and over	133	114,365,937	89.83
Total	**1,471**	**127,312,898**	**100.0%**

2.2 **Optionholders**

Range	Total Optionholders	Options	Percentage
1 – 1,000	0	0	0.00
1,001 – 5,000	0	0	0.00
5,001 – 10,000	0	0	0.00
10,001 – 100,000	39	2,239,000	4.48
100,001 and over	36	47,761,000	95.52
Total	**75**	**50,000,000**	**100.0%**

3. Capital structure

Security	Number
Shares	127,312,898
Listed Options	50,000,000
Unlisted Options	30,000,000

4. Terms and conditions of Options on issue

Refer to Schedule 1.

5. Terms and conditions of Employee Share and/or Option Plan

Not applicable.

6. Pro forma balance sheet

	Audited as at 31 December 2015 $'000	Unaudited Pro forma $'000
Current Assets		
Cash assets	1	1,577
Receivables	16	-
Non-current assets held for sale	-	-
Total Current Assets	17	1,577
Non-Current Assets		
Fixed assets	-	-
Receivable in respect of Joint Venture	-	-
Exploration assets	2,438	2,438
Total Non-Current Assets	2,438	2,438
Total Assets	2,455	4,015
Current Liabilities		
Trade and other payables	163	-
Financial liabilities	80	-
Liabilities associated with exploration assets	2,438	2,438
Total Current Liabilities	2,681	2,438
Total Liabilities	2,681	2,438
Net Assets/(Liabilities)	(226)	1,577
Equity		
Contributed equity	40,327	42,130
Retained losses	(40,553)	(40,553)
Total Equity	(226)	1,577

6. Pro forma balance sheet

The amount of $2,437,987 at 31 December 2015 is payable by Cabral Metais Ltda (a wholly owned subsidiary of the Company) to Cabral Mineracao Ltda (a wholly owned subsidiary of Cabral Brazil). Due to Cabral Brazil (a wholly owned subsidiary of the Company) being in liquidation and deemed for accounting purposes to have exited the consolidated group, this borrowings amount cannot be eliminated upon consolidation, despite both Cabral Metais Ltda and Cabral Mineracao Ltda having the same ultimate parent in Cabral Resources Limited. Should Cabral Mineracao Ltda be repaid, Cabral

Resources Limited will ultimately receive the funds as the sole shareholder and major creditor of Cabral Brazil Pty Ltd, who in turn is the sole shareholder and major creditor of Cabral Mineracao Ltda.

7. Expenditure budget

Use of Funds	Expenditure	Percentage
Expenses of Offer and Placement	$345,000	15.5%
Payments made under the DOCA	$450,000	18.7%
Payments made under the Asset Agreement	$40,001	1.7%
Evaluation and development of existing iron ore assets	$810,000	33.6%
Evaluation and acquisition of new assets	$450,000	18.7%
General working capital	$317,337	11.8%
Total expenditure	**$2,412,338**	**100%**

8. Compliance with ASX Listing Rules

The Company confirms that it is in compliance with the ASX Listing Rules, and in particular Listing Rule 3.1.

9. Registered office

The Company's registered office is:

c/- Mining Corporate
Level 11 London House,
216 St George's Terrace
Perth, Western Australia 6000

Telephone +61 8 9481 0389
Facsimile +61 8 9463 6103
Website: www.miningcorporate.com.au

10. Directors and Company Secretary

The Directors of the Company are Eddie King, Steven Formica and Gregory D'Arcy and the Company Secretary is Stephen Brockhurst.

11. Corporate governance statement

Refer Schedule 2

Schedule 1 – Terms and Conditions of Options on issue

The Company currently has both Listed and Unlisted Options on issue. The rights and liabilities attaching to these Options are as follows:

1. **Exercise Price**

   The exercise price of each Unlisted Option is $0.02 and the exercise price of each Listed Option is $0.04.

2. **Expiry Date**

   The Options expire on 30 October 2019.

3. **Entitlement to Shares**

   Subject to and conditional upon any adjustment in accordance with the conditions set out below, each Option entitles the holder to subscribe for one fully paid share upon payment of the exercise price prior to the expiry date.

4. **Terms of exercise**

   The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with a cheque for the exercise price per Option to the Company at any time on or after the date of issue and allotment of the Options, on or before the expiry date.

5. **Terms of Shares**

   On the valid exercise of the Options and payment of the exercise price, the Company will issue Shares ranking pari passu with the then issued Shares.

6. **Transferability**

   The Options are transferable.

7. **Rights to participate in new issues etc.**

   Option holders do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the ASX Listing Rules.

   Option holders do not participate in any dividends unless the Options have been exercised and the resultant Shares are issued prior to the record date to determine entitlements to the dividend.

8. **Reconstructions**

In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:

(a) the number of Options, the exercise price, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Options which are not conferred on shareholders; and

(b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Options will remain unchanged.

9. **Pro rata issues**

The Option holder will be permitted to participate in any pro-rata issue of securities of the Company on prior exercise of the Options, in which case the Option Holder will be afforded a period of at least seven (7) business days prior to and inclusive of the record date to determine entitlements to the issue to exercise the Options.

10. **Bonus issues**

If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which an Option is exercisable may be increased by the number of Shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.

11. **Change in terms**

The terms of the Options may only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the Options must not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.

12. **Quotation**

The Company will make an application to ASX for quotation of the Listed Options but will not make an application to ASX for quotation of the Unlisted Options.

The Company will make an application to ASX for quotation of any Shares issued upon exercise of the Options.

CORPORATE GOVERNANCE

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 3rd Edition. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines. Where the Company does not have certain policies or committees recommended by the ASX Corporate Governance Council (the Council) in place during the reporting period, we have identified such policies or committees.

The Board of Directors of Cabral Resources Limited is responsible for corporate governance of the Company. The Board guides and monitors the business and affairs of Cabral Resources Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. Where the Company's corporate governance practices do not correlate with the practices recommended by the Council, the Company is working towards compliance, however it does not consider that all the practices are appropriate for the Company due to the size and scale of Company operations. For further information on corporate governance policies adopted by Cabral Resources Limited, refer to our website: www.cabralresources.com.au.
Date of last review and Board approval: 3 December 2015.

Principle / Recommendation	Compliance	Reference	Commentary
Principle 1: Lay solid foundations for management and oversight			
Recommendation 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.	Yes	Board Charter, Independent Professional Advice Policy, Website	The Company does not currently have a Managing Director. Therefore, all reference to a Managing Director in the Corporate Governance Statement and its related policies and charters will relate to the Company's current Non-Executive Chairman. The Company has established the functions reserved to the Board, and those delegated to senior executives and the Company Secretary and has set out these functions in its Board Charter. The Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives, reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance, overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the entity's securities and monitoring the effectiveness of the Company's governance practices. Senior executives are responsible for supporting Managing Director and assisting the Managing Director in implementing the running of the general operations and financial business of the Company in accordance with the delegated authority of the Board. Senior executives are responsible for reporting all matters which

			fall within the Company's materiality thresholds directly to the Chair or the lead independent director, as appropriate. To assist directors with independent judgement, it is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chair for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.
<u>Recommendation 1.2</u> 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.	Yes	Director Selection Procedure Website	In determining candidates for the Board, the Nomination Committee follows a prescribed process whereby it evaluates the mix of skills, experience and expertise of the existing Board. In particular, the Nomination Committee is to identify the particular skills that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors. Potential candidates are identified and, if relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the Board. Any appointment made by the Board is subject to ratification by shareholders at the next general meeting. The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. Each director other than the Managing Director, must not hold office (without re-election) past the third annual general meeting of the Company following the director's appointment or three years following that director's last election or appointment (whichever is the longer). However, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. At each annual general meeting a minimum of one director or one third of the total number of directors must resign. A director who retires at an annual general meeting is eligible for re-election at that meeting and re-appointment of directors is not automatic.

Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Kept at registered office, Independent Professional Advice Policy	Each non-executive director has a written agreement with the Company that covers all aspects of their appointment including term, time commitment required, remuneration, disclosure of interests that may affect independence, guidance on complying with the Company's corporate governance policies and the right to seek independent advice, indemnity and insurance arrangements, rights of access to the Company's information and ongoing confidentiality obligations as well as roles on the Company's committees. Each executive director's agreement with the Company includes the same details as the non-executive directors' agreements but also includes a position description, reporting hierarchy and termination clauses. To assist directors with independent judgement, it is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chair for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	Board Charter Website	The Company has established the functions reserved to the Board, and those delegated to senior executives and the Company Secretary and has set out these functions in its Board Charter.
Recommendation 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	Yes	Diversity Policy Website	Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. The Company has established a Diversity Policy, which includes requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them. The Company's Diversity Strategy details the Company's measurable objectives for achieving gender diversity in accordance with the Diversity Policy. In doing this, and assigning the responsibility for the Diversity Policy and its administration, monitoring and review. The Diversity Strategy includes a number of concepts including contribution to enhance local workforce and provision of opportunities for career development. Initiation of programs and schemes to achieve these goals were achieved during the Reporting Period. The Board has also adopted a policy to address harassment and discrimination in the Company, which it believes will facilitate an environment that encourages a diverse workforce.

in accordance with the entity's diversity policy and its progress towards achieving them, and either: 1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or 2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.			The Company set the following objectives for the employment of women: • to the Board – 50% by 2018 • to senior management (including CFO and Company Secretary) – 50% by 2018 • to the organisation as a whole – 50% by 2018 As at the date of this report, the Company has the following proportion of women appointed: • to the Board – 0% • to senior management (including CFO and Company Secretary) – 0% • to the organisation as a whole – 20% The Company recognises that the mining and exploration industry is intrinsically male dominated in many of the operational sectors and the pool of women with appropriate skills will be limited in some instances. Where possible, the Company will seek to identify suitable candidates for positions from a diverse pool.
Recommendation 1.6: A listed entity should: a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	Board, Committee & Individuals Performance Evaluation Policy Website	**Board, its committees, the chair and individual directors** The Chair is responsible for evaluating the performance of the Board and, when appropriate, Board committees and individual directors deemed. A Non-Executive Director is responsible for evaluating the Chair. The evaluations of the Board, and any applicable Board committees and individual directors are undertaken via informal discussions on an ongoing basis with the Chair. The evaluation of the Managing Director (if applicable) is undertaken via an informal interview process which occurs annually or more frequently, at the Board's discretion. During the reporting period an evaluation of Board, its committees, the chair and individual directors took place in accordance with the process disclosed above.
Recommendation 1.7: A listed entity should: a) have and disclose a process for periodically evaluating the performance of its senior executives; and	Yes	Board, Committee & Individuals Performance Evaluation Policy Website	**Senior executives** The Chair is responsible for evaluating the performance of senior executives. The evaluation of senior executives is undertaken via an informal interview process which occurs annually or more frequently as required and otherwise takes place as part of the annual salary review under the senior executives' employment contract. During the reporting period an evaluation of senior

b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.			executives took place in accordance with the process disclosed above.
Principle 2: Structure the board to add value			
Recommendation 2.1 The board of a listed entity should: a) have a nomination committee which: 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	No	Nomination Committee Charter, Independent Professional Advice Policy Website	The Board has not established a separate Nomination Committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Nomination Committee. Accordingly, the Board performs the role of the Nomination Committee. Items that are usually required to be discussed by a nomination committee are discussed at a separate meeting when required. When the Board convenes as the Nomination Committee it carries out those functions which are delegated to it in the Company's Nomination Committee Charter. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Nomination Committee by ensuring that the Director with conflicting interests is not party to the relevant discussions. To assist the Board to fulfil its function as the Nomination Committee, it has adopted a Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Nomination Committee. The Board met as the Nomination Committee once during the year and all Board members were in attendance. To assist directors with independent judgement, it is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chair for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.

Recommendation 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.	Yes	Website	The Company has reviewed the skill set of its Board to determine where the skills lie and any relevant gaps in skills shortages. The Company is working towards filling these gaps through professional development initiatives as well as seeking to identify suitable Board candidates for positions from a diverse pool.
Recommendation 2.3 A listed entity should disclose: a) the names of the directors considered by the board to be independent directors; 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 c) the length of service of each director.	Yes	Board Charter, Independence of Directors Assessment Website	All Director including Eddie King (appointment 23 April 2015), Greg D'Arcy (appointment 23 April 2015) and Steve Formica (appointment 3 August 2015) are deemed independent as they are non-executive directors who are not members of management and who are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement. The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles & Recommendations and the Company's materiality thresholds. The Board has agreed on the following guidelines, as set out in the Company's Board Charter, for assessing the materiality of matters: • Balance sheet items are material if they have a value of more than 10% of pro-forma net asset. • Profit and loss items are material if they will have an impact on the current year operating result of 10% or more. • Items are also material if they impact on the reputation of the Company, involve a breach of legislation, are outside the ordinary course of business, could affect the Company's rights to its assets, if accumulated would trigger the quantitative tests, involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items, or will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%. • Contracts will be considered material if they are outside the ordinary course of business, contain exceptionally onerous provisions in the opinion of the Board, impact on income or distribution in excess of the quantitative tests, there is a likelihood that either party will default and the default may trigger any of the quantitative or qualitative tests, are essential to the activities of the Company and cannot be replaced or cannot be replaced without an increase in cost which triggers any of the quantitative tests, contain or trigger change of control provisions, are between or for the benefit of related parties, or otherwise trigger the quantitative tests.
Recommendation 2.4	Yes	Independence of Directors Assessment Website	The Board has a majority of Directors who are independent.

A majority of the board of a listed entity should be independent directors.			
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Yes	Independence of Directors Assessment Website	The Board believes that there would be no efficiencies gained by having a separate Chair due to its current size. The Chairperson is an independent Director who is not the CEO / Managing Director.
Recommendation 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.	Yes	Director Induction Program, Ongoing Education Framework Website	It is the policy of the Company that each new Director undergoes an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors include: • details of the roles and responsibilities of a Director; • formal policies on Director appointment as well as conduct and contribution expectations; • a copy of the Corporate Governance Statement, Charters, Policies and Memos and • a copy of the Constitution of the Company. In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. The Board has implemented an Ongoing Education Framework.
Principle 3: Act ethically and responsibly			
Recommendation 3.1 A listed entity should: a) have a code of conduct for its directors, senior executives and employees; and b) disclose that code or a summary of it.	Yes	Code of Conduct Website	The Company has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders, and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.
Principle 4: Safeguard integrity in corporate reporting			
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: a) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 1) is chaired by an independent director, who is not	No	Audit Committee Charter Website	The Company does not have an audit committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by an audit committee can be adequately handled by the full Board. At such time when the Company is of sufficient size, a separate Audit and Risk Management Committee will be formed. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial information. It is the Board's responsibility for the establishment and maintenance of a framework of internal control of the Company.

the chair of the board, and disclose: 2) the charter of the committee; 3) the relevant qualifications and 4) experience of the members of the committee; and 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 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.			The Company has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the Board.
<u>Recommendation 4.2</u> 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.	Yes	Kept at registered office	The Chairman and the Chief Financial Officer (Company Secretary) provide a declaration to the Board in accordance with section 295A of the Corporations Act for each financial report and assure the Board that such declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Recommendation 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.	Yes	AGM	The external auditor is invited to attend every AGM for the purpose of answering questions from security holders relevant to the audit.
Principle 5: Make timely and balanced disclosure			
Recommendation 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.	Yes	Continuous Disclosure Policy Website	The Company has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a senior executive level for that compliance. The Company has appointed a Responsible Officer who is responsible for ensuring the procedures are complied with. The Responsible Officer is Eddie King, and in that person's absence, Steve Formica.
Principle 6: Respect the rights of security holders			
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	Website Disclosure Policy Website	The Company's website includes the following: • Corporate Governance policies, procedures, charters, programs, assessments, codes and frameworks • Names and biographical details of each of its directors and senior executives • Constitution • Copies of annual, half yearly and quarterly reports • ASX announcements • Copies of notices of meetings of security holders • Media releases • Overview of the Company's current business, structure and history • Details of upcoming meetings of security holders • Historical market price information of the securities on issue • Contact details for the share registry and media enquiries
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	Shareholder Communication Policy	The Company has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at shareholder meetings.
Recommendation 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.	Yes	Shareholder Communication Policy Website	The Company has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at shareholder meetings.

<u>Recommendation 6.4</u> A listed entity should give security holders the option to receive communications from and send communications to, the entity and its security registry electronically.	Yes	Shareholder Communication Policy Website	Shareholders are regularly given the opportunity to receive communications electronically.
Principle 7: Recognise and manage risk			
<u>Recommendation 7.1</u> The board of a listed entity should: a) have a committee or committees to oversee risk, each of which: 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	No	Risk Management Policy Website	The Company does not have a risk committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by a risk committee can be adequately handled by the full Board. At such time when the Company is of sufficient size, a separate Audit and Risk Management Committee will be formed. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial information. It is the Board's responsibility for the establishment and maintenance of a framework of internal control of the Company. The Board has adopted a Risk Management Policy to assist with the identification and review of risk as well as the responsibilities within the Company.
<u>Recommendation 7.2</u> The board or a committee of the board should: a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and b) disclose, in relation to each reporting period,	Yes	Risk Management Policy Website	The Board has adopted a Risk Management Policy, which sets out the Company's risk profile. Under the policy, the Board is responsible for approving the Company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control. Under the policy, the Board delegates day-to-day management of risk to the Managing Director (if not applicable, then the Chair), who is responsible for identifying, assessing, monitoring and managing risks. The Managing Director is also responsible for updating

whether such a review has taken place.			the Company's material business risks to reflect any material changes, with the approval of the Board. In fulfilling the duties of risk management, the Managing Director may have unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate, with the prior approval of the Board. In addition, the following risk management measures have been adopted by the Board to manage the Company's material business risks: • the Board has established authority limits for management, which, if proposed to be exceeded, requires prior Board approval; • the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations; and • the Board has adopted a corporate governance manual which contains other policies to assist the Company to establish and maintain its governance practices. During the year, management reported to the Board on the following categories of risks affecting the Company as part of the Company's systems and processes for managing material business risks: operational, financial reporting, sovereignty and market-related risks.
<u>Recommendation 7.3</u> A listed entity should disclose: a) if it has an internal audit function, how the function is structured and what role it performs; or b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	No	Audit Committee Charter Website	The Board performs the role of Audit Committee. When the Board convenes as the Audit Committee it carries out those functions which are delegated to it in the Company's Audit Committee Charter which include reviewing the Company's internal financial control system. Due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function, the expense of an independent internal auditor is not considered to be appropriate.
<u>Recommendation 7.4</u> 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.	Yes	Corporate Governance Statement	The Company has considered its economic, environmental and social sustainability risks by way of internal review and has concluded that it is not subject to material economic, environmental and social sustainability risks.

Principle 8: Remunerate fairly and responsibly			
Recommendation 8.1 The board of a listed entity should: a) have a remuneration committee which: 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director, and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	No	Remuneration Committee Charter, Independent Professional Advice Policy Website	The Board has not established a separate Remuneration Committee, and therefore it is not structured in accordance with Recommendation 8.1. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Remuneration Committee. Accordingly, the Board performs the role of Remuneration Committee. Items that are usually required to be discussed by a Remuneration Committee are discussed at a separate meeting when required. When the Board convenes as the Remuneration Committee it carries out those functions which are delegated to it in the Company's Remuneration Committee Charter. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Remuneration Committee by ensuring that the Director with conflicting interests is not party to the relevant discussions. The Board as a whole met as the Remuneration Committee once during the year and all Board members were in attendance. To assist the Board to fulfil its function as the Remuneration Committee, the Company has adopted a Remuneration Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration Committee. To assist directors with independent judgement, it is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chair for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.

Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	Remuneration Policy Website	Details of remuneration, including the Company's policy on remuneration, are contained in the Remuneration Report which forms of part of the Annual Report. The remuneration of non-executive directors is set by reference to payments made by other companies of similar size and industry, and by reference to the director's skills and experience. Given the Company is at its early stage of development and the financial restrictions placed on it, the Company may consider it appropriate to issue unlisted options to non-executive directors, subject to obtaining the relevant approvals. The Remuneration Policy is subject to annual review. All of the directors' option holdings are fully disclosed. Executive pay and rewards consists of a base salary and performance incentives. Long term performance incentives may include options granted at the discretion of the Board and subject to obtaining the relevant approvals. The grant of options is designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of performance hurdles. Executives are offered a competitive level of base pay at market rates (for comparable companies) and are reviewed annually to ensure market competitiveness.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and b) disclose that policy or a summary of it.	Yes	Remuneration Policy Website	Executives and Non-Executive Directors are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.