

Corporate governance statement

This document discloses the extent to which Celamin Holdings NL ACN 139 255 771 and its controlled entities (**Company or Group**) has followed the recommendations set by the ASX Corporate Governance Council in the third edition of its Corporate Governance Principles and Recommendations (**ASX Recommendations**) during the reporting period.

This document is current as at 30 June 2015 and has been approved by the board of the Company.

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
1.	Principle 1 – Lay solid foundations for management and oversight		
	A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.		
1.1	<p>ASX Recommendation 1.1</p> <p>Companies 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>	Yes to all	Refer to the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)
1.2	<p>ASX Recommendation 1.2</p> <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>	Yes to all	<p>Refer to the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)</p> <p>All material information relevant to a decision on whether or not to elect or re-elect a Director is provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.</p>
1.3	<p>ASX Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	Each director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.
1.4	<p>ASX Recommendation 1.4</p> <p>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>	Yes	The Company Secretary is accountable directly to the Board, through the chair.

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT												
1.5	<p>ASX Recommendation 1.5</p> <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> <ol style="list-style-type: none"> 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 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>Yes to all, except as noted in the "Comments" section.</p>	<p>Refer to the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)</p> <p>Given the current small number of total employees of the Company and its subsidiaries ("the Group"), specific measurable objectives for achieving gender diversity have not yet been set by the Board. The Board will set such objectives at a time when the Group employs sufficient employees to enable relevant measurable gender diversity objectives to be achieved in conjunction with the Group's overall objectives.</p> <p>The proportion of women on the board, women in senior executive positions and women employees in the whole organisation as at reporting date was as follows:</p> <table border="1" data-bbox="1312 587 1962 724"> <thead> <tr> <th>Gender</th> <th>Board</th> <th>Senior executive positions</th> <th>Whole organisation</th> </tr> </thead> <tbody> <tr> <td>No of women</td> <td>1</td> <td>1</td> <td>3</td> </tr> <tr> <td>% women</td> <td>25%</td> <td>25%</td> <td>28%</td> </tr> </tbody> </table> <p>A "senior executive" is a member of the Company's Key Management Personnel, as defined by the Corporations Act, excluding Non-executive directors (who are included in the "Board" statistics).</p>	Gender	Board	Senior executive positions	Whole organisation	No of women	1	1	3	% women	25%	25%	28%
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1.6	<p>ASX Recommendation 1.6</p> <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>Yes to all</p>	<p>Refer to the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)</p> <p>The Company has a process to evaluate the performance of the Board, its committees and individual directors.</p> <p>No formal performance evaluation was undertaken during the period to June 2015, as the turnover in Board members during the period made a formal evaluation impracticable. This review will be completed during the year ending 30 June 2016. Although no formal performance evaluation was undertaken during the period to June 2015, the Board met regularly and informally assessed, and assesses, its performance on an ongoing basis.</p>												
1.7	<p>ASX Recommendation 1.7</p> <p>A listed entity should:</p> <p>a. have and disclose a process for periodically evaluating the performance of</p>	<p>Yes to all</p>	<p>Refer to the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)</p> <p>The Company has a process to evaluate the performance of its senior executives. Performance evaluations of senior executives were undertaken during the reporting period in accordance</p>												

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	<p>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>		with that process.
<p>2. Principle 2 – Structure the board to add value</p>			
<p>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</p>			
2.1	<p>ASX Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>a. have a nomination committee which:</p> <ol style="list-style-type: none"> 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, <p>and disclose:</p> <ol style="list-style-type: none"> 3. the charter of the committee; 4. the members of the committee; and 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>b. if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	Yes	<p>(a) The Company had established a Remuneration and Nomination Committee, which had responsibility for nomination matters.</p> <p>(b) A copy of the Committee’s Charter is contained in the Company’s Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)</p> <p>(c) During the reporting period the Board reorganised its functions in light of changes in membership of the Board and its committees and the current size and nature of the Group’s activities. The Board agreed to undertake the nomination, Board succession and other matters in place of the Remuneration and Nomination Committee. It employs the same processes that would otherwise be used by the Remuneration and Nomination Committee to address relevant issues and continuously reviews its own range of skills, knowledge, experience, independence and diversity to ensure it can discharge its duties and responsibilities effectively.</p> <p>Disclosure of:</p> <ul style="list-style-type: none"> - the relevant qualifications and experience of members of the Committee; and - the number of times the Committee met throughout the reporting period and the individual attendances of the members at those meetings; <p>is disclosed in the Directors’ Report accompanying the publicly-available financial statements of the Company for the reporting period.</p>
2.2	<p>ASX Recommendation 2.2</p> <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</p>	Yes	<p>The mix of skills and diversity that the Board currently has, or is looking to achieve in its membership, are:</p> <ul style="list-style-type: none"> - Technical expertise in the fields of mining and associated activities;

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	membership.		<ul style="list-style-type: none"> - Industry and commercial expertise and experience in areas where the Company's assets may be used; - International experience; - Financial literacy; - Familiarity with legal areas relevant to the Company's activities; - Capital markets experience; - Investor relationship experience; - Negotiation and transaction structuring skills; - Governance knowledge and competency; - Behavioural and ethical attributes appropriate to the Board of an ASX-listed company.
2.3	<p>ASX Recommendation 2.3</p> <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>	Not for the entire reporting period.	<p>Current Directors considered by the Board to be independent are:</p> <ul style="list-style-type: none"> - Martin Broome; and - Sue-Ann Higgins. <p>Previous Directors considered by the Board to be independent were:</p> <ul style="list-style-type: none"> - The Hon. Andrew Thomson; and - Russell Luxford. <p>The other Directors are considered by the Board to not be independent on the basis that:</p> <ul style="list-style-type: none"> - they were engaged in, or had recently engaged in, executive management roles; or - Were associated with a substantial security holder of the Company. <p>The lengths of service of directors as at the end of the reporting period were as follows:</p> <ul style="list-style-type: none"> • Martin Broome (3.5 years) • Nic Clift (8 months) • Tim Markwell (5 months) • Sue-Ann Higgins (5 months) • Russell Luxford (2.5 years)
2.4	<p>ASX Recommendation 2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	Not for the entire reporting period.	Due to changes in Board membership during the reporting period, at various times less than a majority of the Board comprised independent directors.
2.5	ASX Recommendation 2.5	Yes	

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
	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.		
2.6	<p>ASX Recommendation 2.6</p> <p>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>	Yes	Refer to the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)
3. Principle 3 – Act ethically and responsibly			
	A listed entity should act ethically and responsibly.		
3.1	<p>ASX Recommendation 3.1</p> <p>A listed entity should:</p> <p>a. have a code of conduct for its directors, senior executives and employees; and</p> <p>b. disclose that code or a summary of it.</p>	Yes to all	Refer to the Company's Code of Conduct (available at http://celaminnl.com.au/corpgovernance.php)
4. Principle 4 – Safeguard integrity in corporate reporting			
	A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.		
4.1	<p>ASX Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>a. have an audit committee which:</p> <ol style="list-style-type: none"> 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 2. is chaired by an independent director, who is not the chair of the board, <p>and disclose:</p> <ol style="list-style-type: none"> 3. the charter of the committee; 	Yes	<p>(a) The Company had established an Audit Committee, which had responsibility for corporate reporting and audit matters.</p> <p>(b) A copy of the Committee's Charter is contained in the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)</p> <p>(c) During the reporting period the Board reorganised its functions in light of changes in membership of the Board and its committees and the current size and nature of the Group's activities. The Board agreed to undertake the corporate reporting review matters and other roles of the Audit Committee in place of the Audit Committee. It employs the same processes that would otherwise be used by the Audit Committee to address relevant issues.</p> <p>Disclosure of:</p>

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	<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>		<ul style="list-style-type: none"> - the relevant qualifications and experience of members of the Committee; and - the number of times the Committee met throughout the reporting period and the individual attendances of the members at those meetings; <p>is disclosed in the Directors' Report accompanying the publicly-available financial statements of the Company for the reporting period.</p>
4.2	<p>ASX Recommendation 4.2</p> <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>	Yes	
4.3	<p>ASX Recommendation 4.3</p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Yes	
5.	Principle 5 – Make timely and balanced disclosure		
	A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.		
5.1	<p>ASX Recommendation 5.1</p> <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>	Yes to all	The Company's policy is contained in the Company's Corporate Governance Charter (available at http://celaminl.com.au/corpgovernance.php)

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	b. disclose that policy or a summary of it.		
6.	Principle 6 – Respect the rights of security holders		
	A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.		
6.1	ASX Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	Refer generally to the Company’s website at http://celaminnl.com.au and, for governance information, refer to http://celaminnl.com.au/corpgovernance.php .
6.2	ASX Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	This is facilitated by the Company’s website at http://celaminnl.com.au , which provides relevant updates and enables investors to directly contact the Company.
6.3	ASX 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	The Company facilitates and encourages participation at meetings of security holders by providing all members with meeting notices and providing information about these meetings via market announcements, and email broadcasting. The Board believes that given the size and resources this is an appropriate method of facilitating and encouraging security holder participation in a cost-effective manner.
6.4	Recommendation 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.	Yes	
7.	Principle 7 – Recognise and manage risk		
	A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.		
7.1	ASX Recommendation 7.1 The board of a listed entity should: <ol style="list-style-type: none"> a. have a committee or committees to oversee risk, each of which: <ol style="list-style-type: none"> 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, 	Yes	<ol style="list-style-type: none"> (a) The Company had established an Audit Committee, which had responsibility overseeing risk. (b) A copy of the Committee’s Charter is contained in the Company’s Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php) (c) As noted in item 4.1 above, during the reporting period the Board reorganised its functions in light of changes in membership of the Board and its committees and the current size and nature of the Group’s activities. The Board agreed to undertake the risk overview matters and other roles of the Audit Committee in place of the Audit Committee. It employs the same processes that would otherwise be used by the Audit Committee to overseeing the Company’s risk management framework.

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	<p>and disclose:</p> <ol style="list-style-type: none"> 3. the charter of the committee; 4. the members of the committee; and 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>b. if it does not have a 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>Disclosure of:</p> <ul style="list-style-type: none"> - the relevant qualifications and experience of members of the Committee; and - the number of times the Committee met throughout the reporting period and the individual attendances of the members at those meetings; <p>is disclosed in the Directors' Report accompanying the publicly-available financial statements of the Company for the reporting period.</p>
7.2	<p>ASX Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <ol style="list-style-type: none"> a. review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and b. disclose, in relation to each reporting period, whether such a review has taken place. 	Yes	The Board continually monitors the Company's risk management framework.
7.3	<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <ol style="list-style-type: none"> 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. 	<p>a. N/A</p> <p>b. Yes</p>	Due to the size and nature of the Company's operations the Company does not currently have an internal audit function. The Board directly oversees relevant risk areas as part of its risk management function and reviews the Company's operations, functions and position at all times.
7.4	<p>ASX Recommendation 7.4</p> <p>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>	Yes	The Company considers that it does not currently have any material exposure to economic, environmental and social sustainability risks.

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
8.	Principle 8 – Remunerate fairly and responsibly		
	A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.		
8.1	<p>ASX Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>a. have a remuneration committee which:</p> <ol style="list-style-type: none"> 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, and disclose: 3. the charter of the committee; 4. the members of the committee; and 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>b. if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Yes	<p>(a) The Company had established a Remuneration and Nomination Committee, which had responsibility for remuneration matters.</p> <p>(b) A copy of the Committee’s Charter is contained in the Company’s Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)</p> <p>(c) As noted in item 2.1 above, during the reporting period the Board reorganised its functions in light of changes in membership of the Board and its committees and the current size and nature of the Group’s activities. The Board agreed to undertake the remuneration and related matters in place of the Remuneration and Nomination Committee. It employs the same processes that would otherwise be used by the Remuneration and Nomination Committee to address relevant remuneration-related issues.</p> <p>Disclosure of:</p> <ul style="list-style-type: none"> - the relevant qualifications and experience of members of the Committee; and - the number of times the Committee met throughout the reporting period and the individual attendances of the members at those meetings; <p>is disclosed in the Directors’ Report accompanying the publicly-available financial statements of the Company for the reporting period.</p>
8.2	<p>ASX Recommendation 8.2</p> <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>	Yes	Separate disclosure regarding the remuneration of the Company’s directors (executive and non-executive) is disclosed in the Company’s Annual report, as lodged with the ASX and issued to shareholders.
8.3	<p>ASX Recommendation 8.3</p> <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>	Yes	The Company’s policy is that participants are not permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.