

Corporate governance statement

This document discloses the extent to which Celamin Holdings NL ACN 139 255 771 (**Company**) 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 relevant part of the reporting period.

This document is current as at 26 April 2018 and has been approved by the board of the Company.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
<p>Recommendation 1.1</p> <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>Yes</p> <p>Yes</p>	<p>Refer to the Company's Corporate Governance Charter available at http://celaminnl.com.au/corpgovernance.php</p>
<p>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 relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>Yes</p> <p>Yes</p>	<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>
<p>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>	<p>Yes</p>	<p>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.</p>
<p>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>	<p>Yes</p>	<p>The Company Secretary is accountable directly to the Board, through the chair.</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION												
<p>Recommendation 1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board:</p> <p>(i) to set measurable objectives for achieving gender diversity; and</p> <p>(ii) 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:</p> <p>(i) the measurable objectives for achieving gender diversity set by the board in accordance with the entity’s diversity policy and its progress towards achieving them; and</p> <p>(ii) either:</p> <p>(A) 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>(B) the entity’s “Gender Equality Indicators”, as defined in the Workplace Gender Equality Act 2012.</p>	<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="1368 715 2018 906"> <thead> <tr> <th></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>2</td> <td>2</td> </tr> <tr> <td>% women</td> <td>25%</td> <td>40%</td> <td>25%</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>		Board	Senior executive positions	Whole organisation	No of women	1	2	2	% women	25%	40%	25%
	Board	Senior executive positions	Whole organisation											
No of women	1	2	2											
% women	25%	40%	25%											
<p>Recommendation 1.6 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</p> <p>Yes</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 2017. Although no formal performance evaluation was undertaken during the period to June 2017, the Board met regularly and informally assessed, and assesses, its performance on an ongoing basis.</p>												

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 1.7 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>Yes</p> <p>Yes</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. No Performance evaluations of senior executives were undertaken during the reporting period.</p>
<p>Principle 2: Structure the board to add value</p>		
<p>Recommendation 2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</p>	<p>No</p>	<p>(a) Due to the current size of the Company and its Board, the board will fulfil the roles and responsibilities in relation to Remuneration and Nomination. 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>Refer to 2017 Annual Report</p> <p>Refer to 2017 Annual Report</p>
PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>Yes</p>	<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;

		<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.
<p>Recommendation 2.3 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 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), 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>Yes</p> <p>Yes</p> <p>Yes</p>	<p>The Board has two independent directors, Mr Martin Broome (Non-Executive Chairman) and Ms Sue-Ann Higgins (Non-Executive Director).</p> <p>Mr Nic Clift is not considered to be independent on the basis that he has been engaged in an executive management role with the Company in the last three years. Mr Tim Markwell is also not considered to be independent on the basis that he is currently acting as Chief Executive Officer of the Company.</p> <p>The Board considers the Non-Executive directors to be independent having regard to the indicia in Box 2.3 in the ASX Recommendations. The Board has considered the holdings of shares in the Company by these Non-Executive directors and is of the opinion that their respective interests in shares would not materially interfere with, or could be reasonably perceived to interfere with, the independent exercise of their judgement in their position as a Director. The Board also considers that they are otherwise free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of their judgement, and that each of these Directors is able to fulfil the role of independent Director for the purposes of the ASX Recommendations.</p> <p>The lengths of service are as follows:</p> <ul style="list-style-type: none"> • Martin Broome (6 years 2 months) • Nic Clift (3 years 6 months) • Tim Markwell (3 years 2 months) • Sue-Ann Higgins (2 years 7 months)

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 2.4 A majority of the board of a listed entity should be independent directors.</p>	No	As noted above in Recommendation 2.3, the Board does not currently have a majority of independent directors. The Board recognises that it is desirable for the majority of the Board to be Independent Directors, the Company's current size dictates that this is the most efficient mode of operation at the current time. The Board will review the appointment of further Independent Directors should the Company's size and growth warrant this.
<p>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.</p>	Yes	The Chairman, Mr Martin Broome, is an independent Director and is not the CEO/Managing Director.
<p>Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.</p>	Yes	Refer to the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)
<p>Principle 3: Act ethically and responsibly</p>		
<p>Recommendation 3.1 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

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 4: Safeguard integrity in financial reporting		
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, <p>and disclose:</p> <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	No	<p>(a) Due to the current size of the Company and its Board, the board will fulfil the roles and responsibilities in relation to Audit. It employs the same processes that would otherwise be used by the Audit Committee to address relevant issues.</p> <p>Refer to 2017 Annual Report</p> <p>Refer to 2017 Annual Report</p>
<p>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 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	<p>The Acting CEO and Company Secretary execute Section 295A declarations and submit to the Board prior to approving the Annual Report.</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>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.</p>	Yes	The Auditor attends the Company Annual General Meeting.
Principle 5: Make timely and balanced disclosure		
<p>Recommendation 5.1 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>	Yes Yes	The Company's policy is contained in the Company's Corporate Governance Charter (available at http://celaminnl.com.au/corpgovernance.php)
Principle 6: Respect the rights of security holders		
<p>Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.</p>	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 .
<p>Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	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.
<p>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.</p>	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.
<p>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.</p>	Yes	This is implemented by the Company's Share Registry.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 7: Recognise and manage risk		
<p>Recommendation 7.1</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) 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 process it employs for overseeing the entity's risk management framework.</p>	No	<p>(a) Due to the current size of the Company and its Board, the board will fulfil the roles and responsibilities in relation to Audit. . It employs the same processes that would otherwise be used by the Audit Committee to overseeing the Company's risk management framework.</p> <p>Refer to 2017 Annual Report</p> <p>Refer to 2017 Annual Report</p>
<p>Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	Yes to all	The Board continually monitors the Company's risk management framework.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>a. N/A</p> <p>b. Yes</p>	<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.</p>
<p>Recommendation 7.4</p> <p>A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Yes</p>	<p>The Company considers that it does not currently have any material exposure to economic, environmental and social sustainability risks.</p>
<p>Principle 8: Remunerate fairly and responsibly</p>		
<p>Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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>No</p>	<p>(a) Due to the current size of the Company and its Board, the board will fulfil the roles and responsibilities in relation to Audit. It employs the same processes that would otherwise be used by the Remuneration and Nomination Committee to address relevant remuneration-related issues.</p> <p>Refer to 2017 Annual Report</p> <p>Refer to 2017 Annual Report</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>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.
<p>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>	N/A	The Company does not have an equity based remuneration scheme in place.