

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

**Name of entity**

Havilah Resources Limited

**ABN / ARBN**

39 077 435 520

**Financial year ended:**

31 July 2019

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

These pages of our annual report:

This URL on our website: <https://www.havilah-resources.com.au/company/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 31 October 2019 and has been approved by the Board of Directors.

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

Date: 31 October 2019

Name of Company Secretary authorising lodgement: Simon Gray



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

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

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

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

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
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.	... the fact that we follow this recommendation: X in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): X <a href="https://www.havilah-resources.com.au/wp-content/uploads/2019/07/Board-Charter-10-July-2019-1.pdf">https://www.havilah-resources.com.au/wp-content/uploads/2019/07/Board-Charter-10-July-2019-1.pdf</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: X in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: X in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: X in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at <a href="https://www.havilah-resources.com.au/company/corporate-governance/">https://www.havilah-resources.com.au/company/corporate-governance/</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at <a href="https://www.havilah-resources.com.au/wp-content/uploads/2019/07/Nomination-Committee-Charter-10-July-2019.pdf">https://www.havilah-resources.com.au/wp-content/uploads/2019/07/Nomination-Committee-Charter-10-July-2019.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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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.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location] ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location] ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
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.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at <a href="https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Code-of-Conduct-for-Directors-and-Senior-Representatives.pdf">https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Code-of-Conduct-for-Directors-and-Senior-Representatives.pdf</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

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<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><b>X</b> <a href="https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Audit-Risk-Committee-Charter.pdf">https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Audit-Risk-Committee-Charter.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><b>X</b> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<b>X</b> an explanation why that is so in our Corporate Governance Statement
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><b>X</b> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<b>X</b> an explanation why that is so in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

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<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><b>X</b> at <a href="https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Risk-Management-Policy.pdf">https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Risk-Management-Policy.pdf</a></p> <p>... and a copy of the charter of the committee:</p> <p><b>X</b> at <a href="https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Audit-Risk-Committee-Charter.pdf">https://www.havilah-resources.com.au/wp-content/uploads/2019/03/Audit-Risk-Committee-Charter.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><b>X</b> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<b>X</b> an explanation why that is so in our Corporate Governance Statement
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<b>X</b> an explanation why that is so in our Corporate Governance Statement



## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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>[If the entity complies with paragraph (a):]</p> <p>... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><b>X</b> an explanation why that is so in our Corporate Governance Statement</p>
7.4	<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>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><b>X</b> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at <a href="https://www.havilah-resources.com.au/wp-content/uploads/2019/07/Remuneration-Committee-Charter-10-July-2019.pdf">https://www.havilah-resources.com.au/wp-content/uploads/2019/07/Remuneration-Committee-Charter-10-July-2019.pdf</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

# Havilah Resources Limited

ABN 39 077 435 520

## Corporate Governance Statement

This statement outlines the corporate governance practices adopted by Havilah Resources Limited (**Company**) and is current as at 31 July 2019.

Copies of governance related documents referred to in this statement can be found on the Company's website at <http://www.havilah-resources.com.au/company/corporate-governance/>.

1.	<b>Principle 1 – Lay solid foundations for management and oversight</b>
	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><b>ASX Recommendation 1.1</b></p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> <li>a. the respective roles and responsibilities of its board and management; and</li> <li>b. those matters expressly reserved to the board and those delegated to management.</li> </ul> <p>The Company has adopted a Board Charter which sets out the roles and responsibilities of the Board and management. A copy of the Board Charter is located on the Company's website.</p> <p>The role of the Board is to provide leadership for and supervision over the Company's affairs. The Board is 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 its financial performance, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.</p> <p>The Chief Executive Officer is responsible for running the affairs of the Company under delegated authority from the Board and implementing the policies and strategy set by the Board. Management is responsible for supporting and assisting the Chief Executive Officer in implementing the running of the operations and financial aspects of the Company, in accordance with the delegated authority of the Board. Management is responsible for reporting all matters which fall within the Company's materiality thresholds at first instance to the Chief Executive Officer or, if the matter concerns the Chief Executive Officer, directly to the Chairman.</p>
1.2	<p><b>ASX Recommendation 1.2</b></p> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>a. undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</li> <li>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.</li> </ul> <p>The Company undertakes appropriate checks on candidates before appointing them or putting them forward for re-election as Directors, including checks on character, experience and education.</p> <p>Details of the relevant skills, experience and expertise of the Directors are included in the 2019 Annual Report, as well as in each relevant notice of meeting given to shareholders where a Director is standing for election or re-election.</p>
1.3	<p><b>ASX Recommendation 1.3</b></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>The Company has written agreements in place with each Director and senior executive which set out the terms of their appointment.</p>
1.4	<p><b>ASX Recommendation 1.4</b></p> <p>The company secretary of a listed entity should be</p> <p>The Company Secretary reports directly to the Chief Executive Officer but has a direct line of communication with the Chairman and all</p>

	accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Directors. The Company Secretary is responsible for supporting the proper functioning of the Board including, but not limited to, providing advice on governance and procedural issues and the preparation of Board papers and minutes. The Company Secretary's duties are disclosed in the Board Charter.
1.5	<p><b>ASX Recommendation 1.5</b></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"> <li>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</li> <li>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.</li> </ol>	<p>The Company has a Diversity Policy, a copy of which is disclosed on the Company website. The Diversity Policy recognises that it is the Board's responsibility to foster an environment where:</p> <ol style="list-style-type: none"> <li>(a) individual differences are respected;</li> <li>(b) the ability to contribute and access employment opportunities is based on performance, skill and merit; and</li> <li>(c) inappropriate attitudes, behaviours and stereotypes are confronted and eliminated.</li> </ol> <p>Due to the small size of the Company, the Board does not consider it practical to establish measurable objectives for achieving gender diversity during the reporting period. It has determined that it is appropriate for an organisation of the size and nature of the Company to provide management with the appropriate authority to engage people with the relevant skills, knowledge, experience, wisdom, temperament and mental processing ability that management believes are necessary for the relevant role.</p> <p>As at 31 July 2019 the Company had 50% females in its workforce.</p> <p>As at 31 July 2019, the Company had 2 Non-Executive Directors and 2 senior executives* (including the Chief Executive Officer), all of whom are male. The Nomination Committee reviews the composition and structure of the Board at least annually to ensure it is suitable to achieve long-term shareholder wealth. The outcome of this review is reported to and considered by the Board.</p> <p>*Senior executive positions include the Chief Executive Officer</p>
1.6	<p><b>ASX Recommendation 1.6</b></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,</p>	<p>The Chairman is responsible for the ongoing evaluation of the Board, Board committees and individual Directors. The Remuneration Committee and the Chairman of the Board are responsible for evaluating the performance of the Chief Executive Officer and the Technical Director.</p> <p>The Chief Executive Officer's performance is evaluated as part of the annual remuneration process and is reviewed against the role description in the executive service agreement and general industry standards expected of a Chief Executive Officer carrying on that role.</p> <p>The Chairman and the Board regularly review the performance and composition of the Board and its various committees, considering issues</p>

	<p>whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>or concerns as they arise. This ongoing process is conducted internally this process involves the Chairman circulating to members of the Board a detailed questionnaire on performance indicators and collating the data from the same before discussing with each member of the Board and reviewing performance indicators, so as to assess the effectiveness of processes structure and contributions made by individual Directors.</p> <p>An evaluation of the performance of the Board was completed by the Chairman during the financial year under review.</p>
<p>1.7</p>	<p><b>ASX Recommendation 1.7</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>a. have and disclose a process for periodically evaluating the performance of its senior executives; and</li> <li>b. disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ol>	<p>The Company has in place a formal process for evaluating the performance of senior executives each year. The Chief Executive Officer is responsible for evaluating the performance of senior executives directly reporting to him, whilst the Board evaluates the Chief Executive Officer's performance and Executive Director's performance. The evaluation process incorporates a self-evaluation component as well as a written performance appraisal. A follow up meeting is then held with the Chief Executive Officer at which performance objectives are set for the following year.</p> <p>During the reporting period all performance reviews for senior executives were conducted in accordance with the process described above.</p>

2.	<b>Principle 2 – Structure the board to add value</b>													
	A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.													
2.1	<p><b>ASX Recommendation 2.1</b></p> <p>The board of a listed entity should:</p> <p>a. have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director, and disclose:</li> <li>3. the charter of the committee;</li> <li>4. the members of the committee; and</li> <li>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</li> </ol> <p>b. if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>The Board established a Nomination Committee during the financial year. The Committee has a formal charter, a copy of which is available on the Company's website.</p> <p>Members of the Committee and the number of meetings held during the financial year ended 31 July 2019 are as follows:</p> <table border="1" data-bbox="750 491 2074 719"> <thead> <tr> <th data-bbox="750 491 1191 564">Director</th> <th data-bbox="1191 491 1632 564">Meetings attended</th> <th data-bbox="1632 491 2074 564">Meetings held during Director's membership of Committee</th> </tr> </thead> <tbody> <tr> <td data-bbox="750 564 1191 619">Mr Martin Janes (Chair)</td> <td data-bbox="1191 564 1632 619">1</td> <td data-bbox="1632 564 2074 619">1</td> </tr> <tr> <td data-bbox="750 619 1191 673">Mr Mark Stewart</td> <td data-bbox="1191 619 1632 673">1</td> <td data-bbox="1632 619 2074 673">1</td> </tr> <tr> <td data-bbox="750 673 1191 719">Dr Chris Giles</td> <td data-bbox="1191 673 1632 719">1</td> <td data-bbox="1632 673 2074 719">1</td> </tr> </tbody> </table> <p>A majority of the members of the Committee are Independent Directors.</p>	Director	Meetings attended	Meetings held during Director's membership of Committee	Mr Martin Janes (Chair)	1	1	Mr Mark Stewart	1	1	Dr Chris Giles	1	1
Director	Meetings attended	Meetings held during Director's membership of Committee												
Mr Martin Janes (Chair)	1	1												
Mr Mark Stewart	1	1												
Dr Chris Giles	1	1												

2.2	<p><b>ASX Recommendation 2.2</b></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 membership.</p>	<p>A profile of each Director setting out their skills, experience, expertise and period in office is set out in the Directors' Report in the 2019 Annual Report (pages 5 and 6).</p> <p>The Nomination Committee uses this matrix to set the skills required should a Board member be required and to identify areas where additional support may be needed for the Board by way of external advice. A summary of the key skills and experience comprised within the Board are as follows:</p> <table border="1" data-bbox="1155 448 1823 1222"> <thead> <tr> <th><b>Skills and experience</b></th> <th>Yes</th> <th>No</th> </tr> </thead> <tbody> <tr> <td><b>Leadership and governance</b></td> <td></td> <td></td> </tr> <tr> <td>Management and executive leadership</td> <td>3</td> <td>0</td> </tr> <tr> <td>Governance, legal and regulatory</td> <td>3</td> <td>0</td> </tr> <tr> <td>Strategy</td> <td>2</td> <td>1</td> </tr> <tr> <td>Risk management</td> <td>2</td> <td>1</td> </tr> <tr> <td><b>Industry and operational experience</b></td> <td></td> <td></td> </tr> <tr> <td>Mining and resources</td> <td>3</td> <td>0</td> </tr> <tr> <td>Engineering and major projects</td> <td>1</td> <td>2</td> </tr> <tr> <td>Health, safety and environment</td> <td>1</td> <td>2</td> </tr> <tr> <td><b>Risk</b></td> <td></td> <td></td> </tr> <tr> <td>Accounting and audit</td> <td>1</td> <td>2</td> </tr> <tr> <td>Finance, investment and acquisitions</td> <td>2</td> <td>1</td> </tr> <tr> <td><b>People</b></td> <td></td> <td></td> </tr> <tr> <td>Human resources</td> <td>1</td> <td>2</td> </tr> </tbody> </table>	<b>Skills and experience</b>	Yes	No	<b>Leadership and governance</b>			Management and executive leadership	3	0	Governance, legal and regulatory	3	0	Strategy	2	1	Risk management	2	1	<b>Industry and operational experience</b>			Mining and resources	3	0	Engineering and major projects	1	2	Health, safety and environment	1	2	<b>Risk</b>			Accounting and audit	1	2	Finance, investment and acquisitions	2	1	<b>People</b>			Human resources	1	2
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<p>2.3</p>	<p><b>ASX Recommendation 2.3</b></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>	<p>The Board consists of the Technical Director and two Non-Executive Directors (including the Chairman). The Board, having regard to the ASX Corporate Governance Principles and Recommendations, considers that two of the three Directors can be classified as Independent Directors: Mr Mark Stewart (Chairman) and Mr Martin Janes.</p> <p>Dr Chris Giles is not classified as an independent Director as he is the current Technical Director.</p> <p>Consistent with the ASX Corporate Governance Principles and Recommendations, the Board is comprised of a majority of Independent Directors.</p> <p>Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. The Board has developed procedures to assist Directors with disclosure of conflicts of interest.</p> <p>Information regards relevant skills, experience and expertise of the Directors of the Company as at the date of this Statement is included in the 2019 Annual Report. As at 31 July 2019 the period each Director was in office was as follows:</p> <table border="1" data-bbox="808 501 1563 708"> <thead> <tr> <th>Director</th> <th>Period</th> </tr> </thead> <tbody> <tr> <td>Mr Mark Stewart</td> <td>1.5 years</td> </tr> <tr> <td>Mr Martin Janes</td> <td>0.5 year</td> </tr> <tr> <td>Dr Chris Giles</td> <td>17 years (period since IPO)</td> </tr> </tbody> </table> <p>The Board regularly reviews the independence of Board Members, in particular Mr Stewart having regard to the legal services provided to the Company by Arion Legal of which Mr Stewart is a principal. The Board has concluded that these services were not material having regard to the overall legal fees incurred on an annual basis, nor the scope and type of legal advice provided. Arion Legal is also restricted from providing legal advice with respect to matters where Mr Stewart could be potentially conflicted.</p>	Director	Period	Mr Mark Stewart	1.5 years	Mr Martin Janes	0.5 year	Dr Chris Giles	17 years (period since IPO)
Director	Period									
Mr Mark Stewart	1.5 years									
Mr Martin Janes	0.5 year									
Dr Chris Giles	17 years (period since IPO)									
<p>2.4</p>	<p><b>ASX Recommendation 2.4</b></p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>As noted above, the Board considers that two out of the three Directors can be classified as Independent Directors. Therefore, a majority of the Board are Independent Directors.</p>								
<p>2.5</p>	<p><b>ASX Recommendation 2.5</b></p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>The Chairman (Mr Mark Stewart) is an Independent Director.</p>								
<p>2.6</p>	<p><b>ASX Recommendation 2.6</b></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>	<p>The Nomination Committee reviews the skills, experience and expertise of prospective and current Directors and ascertains any shortcomings and/or development requirements. It also oversees induction programs and ongoing education requirements concerning key developments in the Company, as well as in the industry.</p>								

3.	<b>Principle 3 – Act ethically and responsibly</b>	
	A listed entity should act ethically and responsibly.	
3.1	<p><b>ASX Recommendation 3.1</b></p> <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>a. have a code of conduct for its directors, senior executives and employees; and</li> <li>b. disclose that code or a summary of it.</li> </ul>	<p>The Company has a Code of Conduct that sets out the principles and standards which the Board, management and employees of the Company are encouraged to strive towards when dealing with each other, shareholders and the broader community.</p> <p>The Code of Conduct is disclosed on the Company's website.</p> <p>Where the Board believes that a significant conflict exists for a Director on a Board matter, the Director does not receive any relevant Board papers and should exclude themselves from the meeting whilst the matter is considered.</p>

4.	<b>Principle 4 – Safeguard integrity in corporate reporting</b>													
	A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.													
4.1	<p><b>ASX Recommendation 4.1</b></p> <p>The board of a listed entity should:</p> <p>a. have an audit committee which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director, who is not the chair of the board,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3. the charter of the committee;</li> <li>4. the relevant qualifications and experience of the members of the committee; and</li> <li>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</li> </ol> <p>b. if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>The Board has established an Audit and Risk Committee. The Committee has a formal Charter, a copy of which is available on the Company's website. Given the size of the Board, all the Board are members of the Committee, one of which is not considered independent.</p> <p>The Committee is comprised of three members, a majority of whom are Independent Directors. Members of the Committee and the number of meetings held during the financial year ended 31 July 2019 are as follows:</p> <table border="1" data-bbox="750 547 2078 778"> <thead> <tr> <th data-bbox="750 547 1191 624">Director</th> <th data-bbox="1191 547 1632 624">Meetings attended</th> <th data-bbox="1632 547 2078 624">Meetings held during Director's membership of Committee</th> </tr> </thead> <tbody> <tr> <td data-bbox="750 624 1191 675">Mr Martin Janes (Chair)</td> <td data-bbox="1191 624 1632 675">3</td> <td data-bbox="1632 624 2078 675">3</td> </tr> <tr> <td data-bbox="750 675 1191 726">Mr Mark Stewart</td> <td data-bbox="1191 675 1632 726">6</td> <td data-bbox="1632 675 2078 726">6</td> </tr> <tr> <td data-bbox="750 726 1191 778">Dr Chris Giles</td> <td data-bbox="1191 726 1632 778">6</td> <td data-bbox="1632 726 2078 778">6</td> </tr> </tbody> </table> <p>Prior to Mr Janes' appointment, Mr Kenneth Williams was the Chair of the Committee, until his resignation on 2 January 2019. He attended 2 meetings of the 2 held while he was a Director.</p> <p>Details of each Director's qualifications are set out in the Director's Report of the 2019 Annual Report.</p> <p>The external auditor and the Chief Executive Officer are invited to Audit and Risk Committee meetings, at the discretion of the Committee.</p>	Director	Meetings attended	Meetings held during Director's membership of Committee	Mr Martin Janes (Chair)	3	3	Mr Mark Stewart	6	6	Dr Chris Giles	6	6
Director	Meetings attended	Meetings held during Director's membership of Committee												
Mr Martin Janes (Chair)	3	3												
Mr Mark Stewart	6	6												
Dr Chris Giles	6	6												

4.2	<p><b>ASX Recommendation 4.2</b></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>	<p>The Company's Chief Executive Officer and the financial controller provide the Board with the appropriate assurances in relation to the statutory Interim Financial Report released by the Company.</p> <p>Prior to the Board's approval of the 31 January 2019 Interim Financial Report, the Chief Executive Officer and Financial Controller provided a written statement to the Board that, in their opinion, the financial records were properly maintained and that the condensed consolidated financial statements complied with the relevant Australian Accounting Standards and gave a true and fair view of the financial position and performance of the Group and that the opinion was formed on the basis of a sound system of risk management and internal control which is operating effectively.</p> <p>Prior to the Board's approval of the 31 July 2018 Annual Financial Report, the Chief Executive Officer and Financial Controller provided a written statement to the Board that, in their opinion, the financial records were properly maintained and that the consolidated financial statements complied with the relevant Australian Accounting Standards and gave a true and fair view of the financial position and performance of the Group and that the opinion was formed on the basis of a sound system of risk management and internal control which is operating effectively.</p> <p>The Board also received similar undertaking prior to the issue of the Quarterly Cash Flow reports to the Australian Securities Exchange from the April 2019 quarter. Prior to this the Board reviewed the reports with management.</p>
4.3	<p><b>ASX Recommendation 4.3</b></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>	<p>The Company's external auditor was invited to, and attended, the Company's Annual General Meeting held during December 2018. Shareholders were informed of the auditor's presence at the meeting and provided with the opportunity to address questions to the audit partner.</p>
<p><b>5. Principle 5 – Make timely and balanced disclosure</b></p>		
	<p>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.</p>	
5.1	<p><b>ASX Recommendation 5.1</b></p> <p>A listed entity should:</p> <ol style="list-style-type: none"> <li>a. have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</li> <li>b. disclose that policy or a summary of it.</li> </ol>	<p>The Company has a Continuous Disclosure Policy which is located on the Company's website:</p> <ol style="list-style-type: none"> <li>1. that all communications to external stakeholders regarding the Company's activities are timely, factual, accurate and broadly disseminated; and</li> <li>2. a consistent approach to the Company's information release practices and compliance with continuous disclosure obligations.</li> </ol>
5.2	<p><b>ASX Recommendation 5.2</b></p> <p>Companies should provide the information indicated in the guide to reporting on Principle 5.</p>	

<b>6.</b>	<b>Principle 6 – Respect the rights of security holders</b>	
	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	<b>ASX Recommendation 6.1</b> A listed entity should provide information about itself and its governance via its website.	The Company's website ( <a href="http://www.havilah-resources.com.au">http://www.havilah-resources.com.au</a> ) provides information on the Company including its background, objectives, projects and contact details. Information concerning the Company's governance policies and practices are provided on the Corporate Governance page and include links to key policies, procedures and charters of the Company.  Selected ASX announcements, Company reports and presentations are uploaded to the website following release to the ASX. Editorial content is updated on a regular basis.
6.2	<b>ASX Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Board aims to ensure that shareholders are informed of all major developments affecting the Company. All shareholders can access the Company's Annual Reports via the Company's website and are encouraged to participate at general meetings. Shareholders may also request copies of the Company's half-yearly and quarterly reports. Selected ASX announcements, Company reports and presentations are uploaded to the website following release to the ASX. Editorial content is updated on a regular basis.
6.3	<b>ASX Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	The Company encourages full participation of shareholders at the Annual General Meeting of the Company. Shareholders who are unable to attend meetings of the Company are encouraged to participate in meetings by way of appointment of a proxy. Proxy forms may be lodged by shareholders by way of post, facsimile, transmission to the electronic address specified in the relevant notice of meeting or lodged by online process via the Company's share registrar website.  Shareholders may register to receive information updates by email.  During the financial year the Company adopted a Shareholders Communication strategy.  The Company's Shareholder Communications strategy is disclosed on the Company's website.
6.4	<b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Shareholders have a choice with regards to the method in which they receive notices of meeting and may elect (by written notice to the Company) to receive such notices either by post, facsimile or electronically.  The Company's share registrar also engages with shareholders electronically and makes available a range of relevant forms on its website. Shareholders can register with the share registrar to access their personal information and shareholdings via the internet.

7.	<b>Principle 7 – Recognise and manage risk</b>	
	A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.	
7.1	<p><b>ASX Recommendation 7.1</b></p> <p>The board of a listed entity should:</p> <p>a. have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3. the charter of the committee;</li> <li>4. the members of the committee; and</li> <li>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</li> </ol> <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>The Company has established an Audit and Risk committee. The Committee's Charter is disclosed on the Company's website.</p> <p>Details of meetings and membership of the Committee are detailed under Section 4.1 above.</p> <p>The Company has also adopted a Risk Management Policy which is disclosed on the Company's website.</p> <p>The Company is currently in the process of implementing this policy.</p> <p>All investment proposals reviewed by the Board include a consideration of the issues and specific risks associated with the proposal. Where necessary, the Board draws on the expertise of appropriate external consultants to assist in dealing with transferring or mitigating risk.</p>
7.2	<p><b>ASX Recommendation 7.2</b></p> <p>The board or a committee of the board should:</p> <p>a. review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>b. disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>An enterprise risk management framework based on ISO 31000:2009 has been adopted during the reporting period. The framework includes formal risk identification, analysis, monitoring and reporting in accordance with international standards. The Company is currently implementing the program with a full risk review and assessment currently being performed. Reviews are overseen by the Audit and Risk Committee and detailed risk assessment reports are submitted on a regular basis to the Audit and Risk Committee and the Board.</p> <p>The Audit and Risk Committee review the risk management framework annually given that implementation of the framework is ongoing, a review of the entire framework has yet to occur.</p>

<p>7.3</p>	<p><b>Recommendation 7.3</b></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>The Company does not have a formal internal audit function. Instead, the Audit and Risk Committee oversees the overall effectiveness of risk management and internal control processes. As part of this function, the Audit and Risk Committee can implement audits of its systems and processes to access compliance.</p>
<p>7.4</p>	<p><b>ASX Recommendation 7.4</b></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>	<p>The categories of risk identified by the Company and reported on as part of its systems and processes for managing material business risk include financial, operational, human capital, economic cycle, environmental, legal and compliance.</p> <p>In particular, the Company has exposure in the following areas:</p> <ul style="list-style-type: none"> <li>• <b>Funding:</b> the Company main activity is the exploration for Resources. In order to continue its programme the Company may be required to raise additional capital. There is no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and time frames associated with such funding will be acceptable to the Company. This may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on its financial results.</li> <li>• <b>Government Regulation:</b> the Resources sector is highly regulated by all levels of Government. Changes to regulation including Government taxes and charges may affect the viability of the Company's projects either because of access or other restrictions or increased costs. The Company maintains communications with relevant parties to mitigate the effect of Regulation change including membership of industry bodies.</li> <li>• <b>Operating risk:</b> the Company's operations are subject to operating risks that could result in, increased costs and breaches of regulations. To manage this risk, the Company seeks to attract and retain high calibre employees and implement suitable systems and processes to ensure targets are achieved.</li> <li>• <b>Environmental:</b> the Company has environmental liabilities and obligations associated with its exploration licences which arise as a consequence of its activities, including waste management, chemical management, water management and energy efficiency. The Company monitors its ongoing environmental obligations and risks, and implements preventative, rehabilitation and corrective actions as appropriate.</li> <li>• <b>Sustainability risks:</b> the Company seeks to ensure that it provides a safe workplace to minimise risk of harm to its employees and contractors and the impact of its operations on the environment and the communities in which it operates. It achieves this through an appropriate safety culture, safety systems, training and emergency preparedness.</li> <li>• <b>Commodity/Metal price risk:</b> any future earnings will be significantly affected by local and worldwide metal prices over which the Company has no control. Low metal prices will have a materially adverse effect on the Group by reducing the value of its projects or the proceeds from metal sales.</li> </ul>

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><b>ASX Recommendation 8.1</b></p> <p>The board of a listed entity should:</p> <p>a. have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>1. has at least three members, a majority of whom are independent directors; and</li> <li>2. is chaired by an independent director, and disclose:</li> <li>3. the charter of the committee;</li> <li>4. the members of the committee; and</li> <li>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; 43 or</li> </ol> <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>The Board established a Remuneration Committee during the financial year. The Committee has a formal Charter, a copy of which is available on the Company's website. Members of the Committee and the number of meetings held during the financial year ended 31 July 2019 were:</p> <table border="1" data-bbox="750 448 2074 676"> <thead> <tr> <th data-bbox="750 448 1191 523">Director</th> <th data-bbox="1191 448 1632 523">Meetings attended</th> <th data-bbox="1632 448 2074 523">Meetings held during Director's membership of Committee</th> </tr> </thead> <tbody> <tr> <td data-bbox="750 523 1191 574">Mr Martin Janes (Chair)</td> <td data-bbox="1191 523 1632 574">1</td> <td data-bbox="1632 523 2074 574">1</td> </tr> <tr> <td data-bbox="750 574 1191 625">Mr Mark Stewart</td> <td data-bbox="1191 574 1632 625">1</td> <td data-bbox="1632 574 2074 625">1</td> </tr> <tr> <td data-bbox="750 625 1191 676">Dr Chris Giles</td> <td data-bbox="1191 625 1632 676">1</td> <td data-bbox="1632 625 2074 676">1</td> </tr> </tbody> </table> <p>The majority of members of the Committee are Independent Directors.</p>	Director	Meetings attended	Meetings held during Director's membership of Committee	Mr Martin Janes (Chair)	1	1	Mr Mark Stewart	1	1	Dr Chris Giles	1	1
Director	Meetings attended	Meetings held during Director's membership of Committee												
Mr Martin Janes (Chair)	1	1												
Mr Mark Stewart	1	1												
Dr Chris Giles	1	1												



<p>8.2</p>	<p><b>ASX Recommendation 8.2</b></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>	<p>The Company's policies on remuneration and the remuneration of Directors and senior executives are contained in the 'Remuneration Report' section of the Directors' Report in the 2019 Annual Report. The Remuneration Report separately discloses the remuneration policies and practices for Non-Executive Directors and senior executives (including Executive Directors).</p> <p>In determining executive remuneration, the Board aims to ensure that remuneration practices are:</p> <ul style="list-style-type: none"> <li>• competitive and reasonable, enabling the Company to attract and retain high calibre talent;</li> <li>• aligned to the Company's strategic and business objectives and the creation of shareholder value;</li> <li>• transparent and easily understood; and</li> <li>• acceptable to shareholders.</li> </ul> <p>The Company's approach to remuneration ensures that remuneration is competitive, and is simple to administer and understand by executives and shareholders.</p> <p>Remuneration levels and arrangements are reviewed annually to ensure alignment to the market and the Company's stated objectives.</p> <p>The Company's reward structure provides for a combination of fixed and variable pay with the following components:</p> <ul style="list-style-type: none"> <li>• fixed remuneration in the form of base salary, superannuation and benefits; and</li> <li>• equity based incentives.</li> </ul> <p>There are no termination or retirement benefits for Non-Executive Directors (other than for superannuation). Remuneration for Non-Executive Directors is set at market rates for comparable ASX listed companies and takes the form of cash and superannuation benefits. Additional fees may be payable to Directors who sit on Board Committees.</p>
<p>8.3</p>	<p><b>ASX Recommendation 8.3</b></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>	<p>The Company has a Share Trading Policy, a copy of which is located on the Company's website.</p> <p>The policy prohibits key management personnel from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.</p> <p>The Board adopted a Performance Rights and Share Option Plan to incentivise staff. The Plan is available on the Company's website.</p>