

## Appendix 4G

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

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

**Name of entity**

IKWEZI MINING LIMITED

**ABN / ARBN**

ARBN 151 258 221

**Financial year ended:**

30 June 2017

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:  
[www.ikwezimining.com/governance/governance.php](http://www.ikwezimining.com/governance/governance.php)

The Corporate Governance Statement is accurate and up to date as at 31 October 2017 and has been approved by the board.

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

Date: 31 October 2017

Name of Director or Secretary authorising  
lodgement: **Alex Neuling**

  
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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.

For personal use only

## 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.	<p>... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at [insert location]</p> <p>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):  <input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
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.	<p>... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<p>... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<p>... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

<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.

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**Appendix 4G**  
**Key to Disclosures Corporate Governance Council Principles and Recommendations**

<b>Corporate Governance Council recommendation</b>	<b>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</b>	<b>We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...</b> <sup>4</sup>
<p><b>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> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 type="checkbox"/> at [insert location]</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 <b>OR</b></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 <b>OR</b></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 <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p><b>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, 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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

+ See chapter 19 for defined terms  
2 November 2015

**Appendix 4G**  
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<b>Corporate Governance Council recommendation</b>	<b>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</b>	<b>We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...</b> <sup>4</sup>
<p>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>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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<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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> 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 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 <b>OR</b></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 <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></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 <b>OR</b></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 <b>OR</b> <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 <b>OR</b> <input type="checkbox"/> at [insert location] ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 <b>OR</b> <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 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>		
<p>4.1 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, 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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> 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 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 <b>OR</b></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</p>
<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

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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.	<input checked="" type="checkbox"/> ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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 <b>OR</b> <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.	<input checked="" type="checkbox"/> ... information about us and our governance on our website: <input checked="" type="checkbox"/> at this location <a href="http://www.ikwezimining.com/governance/governance.php">www.ikwezimining.com/governance/governance.php</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.	<input checked="" type="checkbox"/> ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <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.	<input checked="" type="checkbox"/> ... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at [insert location]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <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.	<input checked="" type="checkbox"/> ... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <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><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> 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>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that 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 checked="" 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>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

+ See chapter 19 for defined terms  
2 November 2015

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<b>Corporate Governance Council recommendation</b>		<b>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</b>	<b>We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...</b> <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):] ... 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 [insert location]</p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> 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><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</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 type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at [insert location]</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> 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 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 <b>OR</b></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 <b>OR</b></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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

**Appendix 4G**  
**Key to Disclosures Corporate Governance Council Principles and Recommendations**

<b>Corporate Governance Council recommendation</b>	<b>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</b>	<b>We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ...</b> <sup>4</sup>
<p>8.3 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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</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 <b>OR</b></p> <p><input type="checkbox"/> at [insert location]</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

# Corporate Governance Statement

## Introduction

This Corporate Governance Statement sets out Ikwezi Mining Limited's (the **Company**) compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**).

The Ikwezi Mining Limited Board currently comprises of four Executive Directors, none of whom are considered to be independent. The Board is seeking to appoint an additional suitably qualified independent Non-Executive Director at an appropriate juncture once a suitable candidate has been identified.

The Board is committed to ensuring that our Company is properly managed to protect and enhance Shareholder interests, and that we and our Directors, officers and employees operate in an appropriate environment of corporate governance.

Accordingly, the Board has adopted corporate governance policies and practices (the majority of which are in accordance with ASX's Corporate Governance Principles and Recommendations (ASX Recommendations)) designed to promote the responsible management and conduct of our Company.

Our main policies and practices are summarised below. In addition, many governance elements are contained in the Constitution. Details of our key policies and practices and charters for the Board and each of its committees are available at [www.ikwezimining.com](http://www.ikwezimining.com) or may be obtained from our Company Secretary.

## Board responsibilities and composition

The Board is ultimately responsible for setting policy regarding the strategic direction and goals for our business and affairs.

The Board delegates day-to-day management of our resources to management, under the leadership of the Executive Chairman, to deliver the strategic direction and goals determined by the Board.

In discharging their duties, Directors are provided direct access to and may rely upon senior management and external advisers and auditors. The Board collectively, the Board committees and individual Directors may seek independent professional advice at our expense for the purposes of the proper performance of their duties.

The Board considers an independent Director to be a Non-Executive Director who is not a member of our management and who is free from any interest and any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the independent exercise of their judgement. The Board will consider the materiality of any given relationship on a case-by-case basis, rather than referring to a general materiality threshold.

The Board currently comprises four Executive Directors, none of whom are considered to be independent. The Chairman is an Executive Director. The current Board members are described in the Directors' Report.

The Board is committed to good corporate governance and, as noted above, we are seeking to appoint an additional suitably qualified independent Non-Executive Director. The Board will consider appointing this independent Non-Executive Director to the Audit Committee and Remuneration and Nomination Committee.

We consider it important that the Board comprises individuals with a range of knowledge, skills and experience which are appropriate to its objectives. To this end, the composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.

Details regarding the skills, qualifications, experience and expertise of each of the Directors as at the date of this Annual Report can be found in the Directors report.

## **Board committees**

The Board discharges its duties in relation to certain specific functions through the following committees of the Board:

- Audit Committee;
- Risk Committee; and
- Remuneration and Nomination Committee.

The Board undertakes to ensure that these committees are sufficiently resourced to enable them to fulfil their roles and discharge their responsibilities. Given the present structure of the Board and the requirement of each committee charter that the Committees are to comprise at least 3 members, all of the Directors are also members of each of these Committees. It is intended that this be reviewed once additional Board members have been appointed.

### **Audit Committee**

The role of the Audit Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance.

The Audit Committee currently comprises of our four Directors; David Pile is currently chairman of the committee, however the Board intends to again review this position during 2017/18 given that Mr Pile is also Chairman of the Company.

### **Risk Committee**

The role of the Risk Committee is to assist the Board with the identification and management of business and operational risks faced by our Company. The Risk Committee responsibilities include overseeing our risk management systems, practices and procedures and reviewing periodically the scope and adequacy of our insurance. The Risk Committee will comprise at least 3 members and may include Executive and Non-Executive Directors as well as senior executives of our Company. Currently all our Directors serve on the Risk Committee. David Pile currently serves as chair of the Risk Committee.

### **Remuneration and Nomination Committee**

The role of the Remuneration and Nomination Committee includes attending to matters related to our remuneration policy to enable us to attract and retain executives who will create value for Shareholders and to arrange annual performance evaluations of those executives.

The Remuneration and Nomination Committee also attends to matters relating to succession planning and recommends candidates for election or re-election to the Board. The Remuneration and Nomination Committee will identify and recommend candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company.

Currently all of the Directors serve on the Remuneration and Nomination Committee. Mr Tushar Agrawal currently serves as Chair of the Remuneration and Nomination Committee.

## **Corporate governance policies and charters**

The Board has adopted the following corporate governance policies.

### **Board Charter**

The Board monitors our progress and performance on behalf of our Shareholders, by whom it is elected and to whom it is accountable. The Board charter, which is summarised below, seeks to ensure that the Board discharges its responsibilities in an effective and capable manner.

### **Board responsibilities**

The Board's responsibilities include:

- overseeing the business and affairs of our Company, including our control and accountability systems;

- appointing the Managing Director and other senior executives and determining their terms and conditions, including remuneration and termination;
- driving the strategic direction of our Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- ensuring the health, safety and well-being of employees; in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of our occupational health and safety systems to ensure the wellbeing of all employees;
- approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- approving the annual, half yearly and quarterly accounts;
- approving significant changes to the organisational structure;
- approving the issue of any shares, options, equity instruments or other securities in our Company;
- ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision-making;
- recommending to Shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and
- meeting with the external auditor, at their request, without management being present.

The Chief Executive Officer (as the delegate of the Board) is responsible for the effective leadership and day-to-day operations and administration of our Company.

#### **Corporate Code of Conduct**

The Board acknowledges the need for high standards of corporate governance practice and ethical conduct by all our Directors and employees.

The Board has adopted a code of conduct that provides a framework for decisions and actions in relation to responsible and ethical conduct in employment. It underpins the Company's commitment to integrity and fairly dealing in its business affairs. The code of conduct sets out for all Directors and employees the minimum standards of behaviour expected of them.

The code of conduct sets out our policies on various matters, including, conflicts of interest, public and media comment, use of our resources, security of information, intellectual property/copyright, discrimination and harassment, corrupt conduct and occupational health and safety.

#### **Audit Committee Charter**

This Charter defines the Audit Committee's purpose, composition, duties and responsibilities.

#### **Risk Committee Charter**

This Charter defines the Risk Committee's purpose, composition, duties and responsibilities.

#### **Remuneration and Nomination Committee Charter**

This Charter defines the Remuneration and Nomination Committee's purpose, composition, duties and responsibilities.

#### **Performance Evaluation Policy**

We aim to have a clear process for evaluating the performance of senior executives. The Remuneration and Nomination Committee (excluding the subject of evaluation where he or she is a member of the Remuneration and Nomination Committee) is responsible for arranging an annual performance evaluation of our senior executives. The evaluation will be based on specific criteria, including our business performance, whether strategic objectives are being achieved and the development of management and personnel.

### **Continuous Disclosure Policy**

We are committed to continuous disclosure of material information as a means of promoting transparency and investor confidence. The practices of our Company are compliant with the Listing Rules, including in particular those regarding continuous disclosure.

All information provided to ASX for release to the market will be posted to our website at [www.ikwezimining.com](http://www.ikwezimining.com) after ASX confirms an announcement has been made.

### **Risk Management Policy**

We are committed to the identification, monitoring and management of risks associated with our business activities and have established a Risk Committee to have responsibility for identifying and overseeing major risk areas and ensuring that systems are in place to manage them, and report to the Board as and when appropriate. The Risk Committee is responsible for overseeing the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements.

### **Securities Trading Policy**

Our Directors, officers and other employees will be in possession of information relating to our Group and, possibly, other companies. From time to time, some of this information may be classified as "inside information". We have adopted a securities trading policy that explains the prohibition on insider trading and, in addition, limits trading by Directors and certain restricted employees to specific "black-out periods", such as prior to the release of our Company's full and half year results announcements and the annual general meeting. In certain instances our policy extends beyond the strict requirements of the Corporations Act. Any such a trade by a Director or restricted employee must be notified in advance to the Managing Director or the Board and clearance obtained.

In addition to their obligations under the Corporations Act in relation to inside information, all Directors, employees and contractors have a duty of confidentiality to us in relation to confidential information they possess.

### **Shareholder Communications Policy**

We place great importance on the communication of accurate and timely information to our Shareholders and recognise that efficient and continuous contact with Shareholders is an essential part of earning their trust and loyalty.

To this end, we are committed to communicating effectively with Shareholders through releases to the market via ASX, information mailed to Shareholders and our general meetings.

### **Compliance with Black Economic Empowerment (BEE) legislation in South Africa**

The BEE requirements in the South Africa mining industry arise from the equality provisions of the South African Constitution and the Mineral and Petroleum Resources and Development Act (MPRDA).

The Department of Mineral Resources (DMR) has published and implemented the Broad Based Socio-Economic Empowerment Charter, September 2010 (Mining Charter) which is applicable to all mining companies operating within South Africa. The Mining Charter aims at facilitating participation of historically disadvantaged South Africans (HDSA) in the mining and minerals industry by providing specific targets that must be met by 2014 in order to effect complete transformation and promote sustainable development and growth of the industry. HDSA are defined as "any person, category of persons or community, disadvantaged by unfair discrimination" on the basis of race, gender or disability and includes females generally as well as Black, Indian, Chinese and Coloured people.

The most significant element of the Mining Charter is the ownership requirement which stipulate that mines must commit to obtaining 26% effective ownership (the meaningful participation of HDSA's in the ownership, voting rights, economic interest and management control of mining entities) by 2014.



The Mining Charter also requires that a Mining Right holder procures a minimum of 40% of its capital goods, 50% of its consumer goods and 70% of its services from BEE entities (an entity of which a minimum of 25% + 1 vote of share capital is directly owned by HDSA's). Further, Mining Right holders need to ensure that all multinational suppliers of capital goods contribute 0.5% of the supplier's annual income into a social development fund in order to promote the socio-economic development of local communities.

In furtherance of employment equity targets, Mining Right holders must reach 40% HDSA representation at all levels of management and core skills by no later than 2014.

A Mining Right holder is also required to invest at least 5% of its annual payroll in essential skills development activities reflective of the demographics. The holder should also, in consultation with organised labour, facilitate the home ownership options of all mineworkers. A Mining Right must also implement policies on sustainable development commitments which cover aspects such as the improvement of environmental management as well as health and safety performance.

In order to ensure that Mining Right holders adhere to the provisions of the Mining Charter, the MPRDA requires all such holders to report their level of compliance on an annual basis. To this extent, the DMR has also published a mining scorecard which provides a framework for measuring compliance with the Mining Charter. The scorecard measures three core elements: (1) direct empowerment through ownership and control of enterprises and assets; (2) human resource development and employment equity; and (3) indirect empowerment through preferential procurement and enterprise development.

Non-compliance with any of the above provisions of the Mining Charter shall render the Mining Right holder in breach of the MPRDA which may attract strict consequences such as the suspension or cancellation of the relevant Prospecting Right or Mining Right.

The legal requirements contained in the South African legislation exceed the reporting recommendations contained in ASX Recommendation 3.3 and 3.4. The Company's South African subsidiaries comply with and in fact exceed the relevant ownership requirements with our BEE partners owning 30% of Ikwezi Mining (Pty) Ltd, Ikwezi Management Services (Pty) and Ikwezi Resources (Pty) Ltd and 40% of Bokamaso (Pty) Ltd. We are committed to meeting and exceeding the provisions contained in the Mining Charter with preference given in terms of our internal employment and procurement policies and procedures not only to HDSA employees and BEE compliant Companies but to those that are located in the areas that we operate. As at the date of this report 25% of the senior full time management of the consolidated group are HDSA's with no female senior management or Directors given our current reduced staffing structure. Females comprise 25% of our current workforce.

#### **Compliance with ASX Recommendations**

The Company follows all of the ASX Recommendations except as outlined in this statement.

During the financial year, the Board comprised four Executive Directors. The chairman of the Board during the period was an Executive Director, and none of the Directors during the financial year were considered by the Board to be independent based on the criteria outlined in the definition of independence adopted by the Company.

As a result of this Board structure, the Company did not comply with the following ASX Recommendations for the period to 30 June 2017:

- ASX Recommendation 1.5: A listed entity should have and disclose a diversity policy and the measurable objectives set for achieving gender diversity.
- ASX Recommendation 2.1: Structure of the nomination committee
- ASX Recommendation 2.2: A listed entity should have and disclose a board skills matrix
- ASX Recommendation 2.4: A majority of the board of a listed entity should be independent directors

- ASX 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.
- ASX Recommendation 4.1: Structure of the audit committee
- ASX Recommendation 7.1: Structure of the risk committee
- ASX Recommendation 8.1: Structure of the remuneration committee

The Company is working towards complying with the above ASX Recommendations and is seeking to appoint a further independent Non-Executive Director as appropriately qualified candidates are identified. The new appointees will allow the Company to revise the composition of the Audit Committee and Remuneration and Nomination Committee to comply further with ASX Recommendations, however it does not expect in the coming year to comply with the requirement for the Audit Committee to comprise at least three members. The Company does not consider compliance with this part of the ASX Recommendation 4.1 appropriate for the Company at present having regard to the size and scale of its operations and the desire to constitute its audit committee solely of independent Non-Executive Directors.

A table outlining the Company's current compliance with each ASX Recommendation is set out below.

The Company has made copies of its corporate governance charters, policies and documents available in a governance section of the Company's website at [www.ikwezimining.com](http://www.ikwezimining.com)

ASX Recommendation	Comply (Yes/No)	Explanation
<b>PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
<p><b>ASX Recommendation 1.1:</b> 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>	Yes	<p>The Company has adopted a formal charter that details the respective board and management functions and responsibilities. A copy of this board charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>
<p><b>ASX Recommendation 1.2:</b> A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	Yes	<p>The Company has established a Remuneration and Nomination Committee ("RNC") which operates under the Remuneration Committee Charter and Nomination Committee Charter.</p> <p>The Nomination Committee Charter requires the RNC to undertake appropriate checks before appointing a candidate, or putting forward to security holders a candidate for election as a Director.</p> <p>All material information relevant to whether or not to elect or re-elect a director is provided to the Company's shareholders as part of the Notice of Meeting and explanatory statement for a shareholder meeting including resolutions related to the election or re-election of directors.</p>
<p><b>ASX Recommendation 1.3:</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	
<p><b>ASX Recommendation 1.4:</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the functioning of the board.</p>	Yes	<p>As detailed in the Board Charter, the Company Secretary is accountable directly to the Board, through the Chair, on all matters related to the functioning of the Board.</p>
<p><b>ASX Recommendation 1.5:</b> 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</p>	No	<p>The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality, diversity and skills of its people.</p> <p>The Board does not consider that at this stage it is appropriate for the Company to implement a diversity policy that aligns completely with the</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p>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>	Yes	<p>ASX Recommendations as it is already required to comply with the diversity requirements under the Broad Based Socio-Economic Empowerment Charter, September 2010 (Mining Charter), published and implemented by the South African Department of Mineral Resources.</p> <p>The Company has not yet set measurable objectives for achieving gender diversity. The Board will review the appropriateness of its position once the Ntendeka colliery enters the production stage.</p>
<p><b>ASX Recommendation 1.6:</b> 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>	Yes	<p>The Company's Board Charter outlines the process for evaluating the performance of the Board. This provides that, once a year, the Board shall hold a meeting to review critically and discuss the performance of the Board as a whole, its Committees and individual Directors. If it is apparent that there are problems that cannot be satisfactorily considered by the Board itself, the Board may decide to engage an independent advisor to undertake this review.</p> <p>Due to the size of the Board and the Company's operations, it was not deemed necessary to undertake a performance evaluation in the reporting period.</p>
<p><b>ASX Recommendation 1.7:</b> 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>	Yes	<p>The Performance Evaluation Policy requires the RNC to arrange an annual performance evaluation of senior executives as appropriate. The Performance Evaluation policy details the process for this evaluation.</p> <p>The Company has not employed any senior executives during the year that were not members of the Board and has therefore not undertaken a performance evaluation process.</p>

**ASX Recommendation**

**Comply (Yes/No)**

**Explanation**

**PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE**

**ASX Recommendation 2.1:** The board of a listed entity should:

No

The Board has a Remuneration and Nomination Committee with the following members:

Name	Independent?
David Pile	No
Ranaldo Anthony	No
Alok Joshi	No
Tushar Agrawal	No

- (a) have a nomination committee which:
- 1) has at least three members, a majority of whom are independent directors, and
  - 2) is chaired by an independent director, and disclose:
- 3) the charter of the committee;
  - 4) the members of the committee; and
  - 5) as at the end of the reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

**ASX Recommendation 2.2:** A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in

No

The Company has not adopted a specific board skills matrix. The Board Charter requires that the Board should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board in

The RNC has not met during the reporting period.  
The charter of the Nomination Committee is included on the Company's website at [www.ikwezimining.com](http://www.ikwezimining.com)

ASX Recommendation	Comply (Yes/No)	Explanation																				
<p>its membership.</p>		<p>fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.</p> <p>The Board believes that having a diverse mix of experience, gender and culture across the Board leads to better outcomes for the Company and the shareholders, and the Board is comfortable with the skills matrix represented by the current Board.</p>																				
<p><b>ASX Recommendation 2.3:</b> 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 and service of each director</p>	Yes	<p>At the date of this report, the Board consists of:</p> <table border="1" data-bbox="496 1189 1050 2074"> <thead> <tr> <th>Name</th> <th>Role</th> <th>Independent?</th> <th>Date appointed</th> </tr> </thead> <tbody> <tr> <td>David Pile</td> <td>Executive Chairman</td> <td>No</td> <td>10 May 2011</td> </tr> <tr> <td>Ranaldo Anthony</td> <td>Executive Director</td> <td>No</td> <td>8 June 2011</td> </tr> <tr> <td>Alok Joshi</td> <td>Executive Director</td> <td>No</td> <td>29 May 2015</td> </tr> <tr> <td>Tushar Agrawal</td> <td>Executive Director</td> <td>No</td> <td>29 May 2015</td> </tr> </tbody> </table>	Name	Role	Independent?	Date appointed	David Pile	Executive Chairman	No	10 May 2011	Ranaldo Anthony	Executive Director	No	8 June 2011	Alok Joshi	Executive Director	No	29 May 2015	Tushar Agrawal	Executive Director	No	29 May 2015
Name	Role	Independent?	Date appointed																			
David Pile	Executive Chairman	No	10 May 2011																			
Ranaldo Anthony	Executive Director	No	8 June 2011																			
Alok Joshi	Executive Director	No	29 May 2015																			
Tushar Agrawal	Executive Director	No	29 May 2015																			
<p><b>ASX Recommendation 2.4:</b> A majority of the board of a listed entity should be independent</p>	No	<p>As shown in the table above, at the date of this report and during the reporting period, the Board has not had a majority of independent directors based on the Company's definition of independence which is published on the Company's website <a href="http://www.lkwezimining.com">www.lkwezimining.com</a></p> <p>The Board will continue to review its composition to ensure it remains appropriate to the Company's circumstances, size and stage of development.</p>																				

ASX Recommendation	Comply (Yes/No)	Explanation
<p><b>ASX Recommendation 2.5:</b> 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>	No	<p>Mr David Pile is currently the Executive Chairman of the Company holding the positions of both chair of the Board and Managing Director.</p>
<p><b>ASX Recommendation 2.6:</b> A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	Yes	<p>As set out in the Board Charter, the Company Secretary is responsible for the facilitation of the induction and professional development of the directors.</p> <p>No induction programs were deemed necessary during the reporting period.</p>
<p><b>PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY</b></p>		
<p><b>ASX Recommendation 3.1:</b> 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>	Yes	<p>The Company has established a code of conduct that sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from Directors and employees.</p> <p>A copy of the Company's code of conduct is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>
<p><b>PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b></p>		

**ASX Recommendation****Comply (Yes/No)****Explanation**

**ASX Recommendation 4.1:** The board of a listed entity should:

No

(a) have an audit committee which:

- 1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
- 2) is chaired by an independent director, who is not the chair of the board,

and disclose:

- 3) the charter of the committee;
  - 4) the relevant qualifications and experience of the members of the committee; and
  - 5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit partner.

The Board has established an Audit Committee and adopted a charter that sets out the Audit Committee's purpose, composition, duties and responsibilities. The role of the Audit Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance.

A copy of the charter of the Audit Committee is available in the governance section of the Company's website at [www.jkwezimining.com](http://www.jkwezimining.com)

The structure of the Company's Audit Committee for the period ended 30 June 2017 does not meet the requirements of Recommendation 4.1.

At the date of this report, the Audit Committee consists of:

Name	Role	Independent?
David Pile (Chair of Audit Committee)	Executive Chairman	No
Ranaldo Anthony	Executive Director	No
Alok Joshi	Executive Director	No
Tushar Agrawal	Executive Director	No

The qualifications, experience and attendance of the members of the Audit Committee are detailed in the Directors' Report of the 2015 Annual Report.



ASX Recommendation	Comply (Yes/No)	Explanation
<p><b>ASX Recommendation 4.2:</b> The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	<p>The Audit Committee Charter details the duties and responsibilities of the Audit Committee and requires that the Committee ensures that, before the Board approves the Company's financial statements for a period, the CEO and CFO have made a declaration in line with those included in ASX Recommendation 4.2.</p>
<p><b>ASX Recommendation 4.3:</b> A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answers questions from security holders relevant to the audit.</p>	Yes	<p>The Audit Committee Charter allows for the attendance of the external auditor at the Company's AGM to be available to answer questions from the security holders at the discretion of the Audit Committee.</p> <p>A representative of the Company's auditor was present at its 2016 AGM.</p>
<b>PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE</b>		
<p><b>ASX Recommendation 5.1:</b> 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	<p>The Company has established a continuous disclosure policy which is designed to guide compliance with ASX Listing Rule disclosure requirements and to ensure that all directors, senior executives and employees of the Company understand their responsibilities under the policy. The Board has designated the Executive Chairman and the Company Secretary as the persons responsible for ensuring that this policy is implemented and enforced and that all required price sensitive information is disclosed to the ASX as required.</p> <p>In accordance with the Company's continuous disclosure policy, all information provided to ASX for release to the market will be posted to its website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> after ASX confirms an announcement has been made.</p> <p>A copy of the continuous disclosure policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>

ASX Recommendation	Comply (Yes/No)	Explanation
<b>PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS</b>		
<p><b>ASX Recommendation 6.1 :</b> Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.</p>	Yes	<p>The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company has designed a shareholder communication policy which outlines the Company's commitment to:</p> <ul style="list-style-type: none"> <li>• communicating effectively with shareholders through releases to the market via ASX; information mailed to shareholders and the general meetings of the Company;</li> <li>• giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;</li> <li>• encouraging shareholders to participate in general meetings of the Company; and</li> <li>• requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.</li> </ul> <p>A copy of the shareholder communication policy is available in the governance section of the Company's website at <a href="http://www.jkwezimining.com">www.jkwezimining.com</a></p>
<p><b>ASX Recommendation 6.2:</b> Companies should provide the information indicated in the Guide to reporting on Principle 6.</p>	Yes	<p>The Company includes in its annual reports an explanation of any departure from ASX Recommendations 6.1 or 6.2 (if any) and a description of how it will communicate with its shareholders publicly.</p> <p>The Company has provided information about the Company generally for the benefit of its shareholders and market participants (among others) on the Company's website at <a href="http://www.jkwezimining.com">www.jkwezimining.com</a> all information provided to ASX for release to the market will be posted to its website at <a href="http://www.jkwezimining.com">www.jkwezimining.com</a> after ASX confirms an announcement has been made.</p>

**ASX Recommendation**

**Comply (Yes/No)**

**Explanation**

**PRINCIPLE 7: RECOGNISE AND MANAGE RISK**

**ASX Recommendation 7.1:** The board of a listed entity should:

No

- (a) have a committee or committees to oversee risk, each of which:
- 1) has at least three members, a majority of whom are independent directors; and
  - 2) is chaired by an independent director
- and disclose:
- 3) the charter of the committee;
  - 4) the members of the committee; and
  - 5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.

The Board has established a Risk Committee and adopted a charter that sets out the Risk Committee's purpose, composition, duties and responsibilities. The role of the Risk Committee is to assist the Board with the identification and management of business and operational risks faced by the Company.

A copy of the charter of the Risk Committee is available in the governance section of the Company's website at [www.jkwezimining.com](http://www.jkwezimining.com)

The structure of the Company's Risk Committee for the period ended 30 June 2017 does not meet the requirements of Recommendation 7.1.

At the date of the this report, the Risk Committee consists of:

Name	Role	Independent?
David Pile (Chair of Risk Committee)	Executive Chairman	No
Ranaldo Anthony	Executive Director	No
Alok Joshi	Executive Director	No
Tushar Agrawal	Executive Director	No

ASX Recommendation	Comply (Yes/No)	Explanation
<p><b>ASX Recommendation 7.2:</b> 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>	Yes	<p>The Risk Committee did not meet during the financial year ended 30 June 2017.</p> <p>The Company is committed to the identification, monitoring and management of risks associated with its business activities and has established policies, in relation to the implementation of practical and effective control systems. The Company has established a Risk Management Policy, which is available on the Company's website <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p> <p>The Board (via the Risk Committee) has delegated the responsibility for undertaking and assessing risk management and internal control effectiveness to management.</p> <p>The Risk Committee has received declarations from the MD and CFO for the financial year ended 30 June 2017 that their view provided on the Company's financial report is founded on a sound system of risk management and internal compliance and control which implements the financial policies adopted by the Board and that the Company's risk management and internal compliance and control system is operating effectively in all material respects.</p>
<p><b>ASX Recommendation 7.3:</b> 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>	Yes	<p>The Company does not currently have an internal audit function.</p> <p>The Risk Committee is responsible for ensuring that sound risk management strategies and policies are in place for the Company. The Committee has responsibility for identifying and overseeing major risk areas and that systems are in place to manage them, and report to the Board as and when appropriate. The Committee is required to develop and maintain a risk register that identifies the risks to the Company and its operation and assesses the likelihood of their occurrence. As discussed above, the Committee also monitors and reviews and matters of significance affecting financial reporting and compliance.</p> <p>Under the Company's Risk Management Policy, the responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management are required to</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p><b>ASX Recommendation 7.4:</b> A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	<p>assess risk management and associated internal compliance and control procedures and report back to the Risk Committee on whether risks are being managed effectively.</p> <p>The Company undertakes mineral exploration activities and consequently faces material risks to its business from economic, environmental, regulatory and social sustainability risks.</p>
<b>PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY</b>		
<p><b>ASX Recommendation 8.1:</b> 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               <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> </li> <li>(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.</li> </ol>	No	<p>The Board has established a Remuneration and Nomination Committee, the details of which are discussed above. The Remuneration Committee Charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a></p>
<p><b>ASX Recommendation 8.2:</b> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and other senior executives.</p>	Yes	<p>Non-Executive Directors are not currently paid a fee for their services to Company.</p> <p>Executives of the Company typically receive remuneration comprising a base salary component and other fixed benefits based on the terms of</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p><b>ASX Recommendation 8.3:</b> 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>Yes</p>	<p>their employment agreements with the Company, or its Executive &amp; Non-Executive directors may receive share options under the Employee Share Option Plan or by shareholder resolution.</p> <p>Mr David Pile and Mr Ranaldo Anthony have agreed to forgo their salaries from 30 April 2015 in an effort to assist the Company with cost savings. This decision will be re-evaluated during the next financial year.</p> <p>The Company does not currently have an active shareholder approved equity based remuneration scheme.</p> <p>Equity issues are made subject to shareholder approval on a case-by-case basis.</p>