

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Atlas Iron Limited

ABN / ARBN:

63 110 396 168

Financial year ended:

30 June 2015

Our corporate governance statement² for the above period above can be found at:³

This URL on our website: www.atlasiron.com.au

The Corporate Governance Statement is accurate and up to date as at 25 September 2015 and has been approved by the board.

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

Date: 25 September 2015

Name of Director or Secretary authorising lodgement: Yasmin Broughton

¹ 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.

² "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.

³ 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 ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement page 5 under Principle 1 (Lay solid foundations for management and oversight) ... 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 checked="" type="checkbox"/> in our Board Charter which can be found in the corporate governance area of the Atlas website at www.atlasiron.com.au	
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement page 5 under Principle 1 (Lay solid foundations for management and oversight)	
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement page 5 under Principle 1 (Lay solid foundations for management and oversight)	
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: <input checked="" type="checkbox"/> in our Corporate Governance Statement page 5 under Principle 1 (Lay solid foundations for management and oversight)	

⁴ 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.

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 ... ⁴
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 page 6 under Principle 1 1 (Lay solid foundations for management and oversight)</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Equal Employment Opportunity and Diversity Policy which can be found in the corporate governance area of the Atlas website at www.atlasiron.com.au</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 checked="" type="checkbox"/> in our Corporate Governance Statement page 6 under Principle 1(Lay solid foundations for management and oversight)</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement page 6 under Principle 1 (Lay solid foundations for management and oversight) and in the Workplace Gender Equality Public Report in the corporate governance area of the Atlas website at www.atlasiron.com.au</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 page 6 under Principle 1 (Lay solid foundations for management and oversight)</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement page 6 under Principle 1 (Lay solid foundations for management and oversight)</p>	

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 ... ⁴
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 page 6 under Principle 1 (Lay solid foundations for management and oversight)</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement page 6 under Principle 1 (Lay solid foundations for management and oversight)</p>	

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 ... ⁴	
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
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>		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement on page 6 under Principle 2 (Structure the board to add value) and the 2015 Annual Report page 48
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> <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 7 under Principle 2 (Structure the board to add value)	
2.3	<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 names of the directors considered by the board to be independent directors:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 7 and 8 under Principle 2 (Structure the board to add value) <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 7 and 8 under Principle 2 (Structure the board to add value) <p>... and the length of service of each director:</p> <input checked="" type="checkbox"/> in the 2015 Annual Report page 26 and 27	

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 ... ⁴
2.4	A majority of the board of a listed entity should be independent directors.		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement on page 8 under Principle 2 (Structure the board to add value)
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.		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement on page 8 under Principle 2 (Structure the board to add value)
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 on page 5 and 8 under Principle 1 (Lay solid foundations for management oversight) and Principle 2 (Structure the board to add value)	
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
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 on page 8 under Principle 3 (Act ethically and responsibly)	

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 ... ⁴	
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
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 checked="" type="checkbox"/> in our Corporate Governance Statement page 9 under Principle 4 (Safeguard integrity in corporate reporting)</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> which can be found in the corporate governance are of the Atlas website at www.atlasiron.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement page 9 under Principle 4 (Safeguard integrity in corporate reporting) and the 2015 Annual Report pages 26 to 27</p> <p><input checked="" type="checkbox"/> in the 2015 Annual Report page 48</p>	
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><input checked="" type="checkbox"/> in our Corporate Governance Statement page 9 under Principle 4 (Safeguard integrity in corporate reporting)</p>	
4.3	<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 fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement page 9 under Principle 4 (Safeguard integrity in corporate reporting)</p>	

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 ... ⁴
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
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 the corporate governance are of the Atlas website at www.atlasiron.com.au	
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
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"/> on the Atlas website at www.atlasiron.com.au	
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 on page 10 under Principle 6 (Respect the rights of security holders)	
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 on page 10 under Principle 6 (Respect the rights of security holders) <input checked="" type="checkbox"/> in our Continuous Disclosure and Communications Policy which can be found in the corporate governance are of the Atlas website at www.atlasiron.com.au	
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 on page 10 under Principle 6 (Respect the Rights of security holders)	

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 ... ⁴	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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 checked="" type="checkbox"/> in our Corporate Governance Statement page 8 under Principle 2 (Structure the board to add value) and 10 under Principle 7 (Recognise and manage risk). See also the 2015 Annual Report page 48</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> in the Corporate Governance section of the Atlas website at www.atlasiron.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in the 2015 Annual Report page 48</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 page 10 (Principle 7: Recognise and manage risk)</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement page 10 (Principle 7: Recognise and manage risk)</p>	

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 ... ⁴
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 (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 checked="" type="checkbox"/> in our Corporate Governance Statement page 10 under Principle 7 (Recognise and manage risk)</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 page 10 under Principle 7: (Recognise and manage risk). See also 2015 Annual Report</p>	

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 ... ⁴	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
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 page 10 under Principle 8 (Remunerate fairly and responsibly)</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> in the Corporate Governance section of the Atlas website at www.atlasiron.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in the 2015 Annual Report page 48</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 Remuneration Report in the 2015 Annual Report</p>	
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 Guidelines for Dealing in Securities Policy which can be found in the corporate governance area of the Atlas website at www.atlasiron.com.au</p>	

Corporate Governance Statement



Atlas is committed to implementing and maintaining the highest standards of corporate governance.

In determining what those standards should involve, Atlas has considered the 3rd Edition of ASX' Corporate Governance Principles and Recommendations (**ASX Guidelines**), in light of the reduced size of its board. Atlas advises that its corporate governance policies and practices are, in the most part, consistent with those of the ASX Guidelines.

Atlas reviews all its corporate governance practices and policies on an annual basis and compares its current practices and policies against the ASX Guidelines with a view to ensuring its corporate governance practices and policies are up to date and reflect Atlas' current stage of development and future growth.

A summary of the ASX Guidelines Recommendations and the extent to which Atlas has followed these during the reporting period is set out below.

ASX Recommendation	Adopted
Principle 1: Lay solid foundations for management and oversight	
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.	✓
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.	✓
1.3. A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	✓
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.	✓
1.5. A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; (c) disclose 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: 1. the respective proportions of men and women on the board, in senior executive positions, and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or 2. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	✓
1.6. A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	✓
1.7. A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	✓
Principle 2: Structure the board to add value	
2.1. The board of a listed entity should: (a) have a nomination committee which: 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, and disclose: 3. the charter of the committee; 4. the members of the committee; and 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose the 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.	✗ (see explanation below)

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	✓
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.	✓
2.4.	A majority of the board of a listed entity should be independent directors.	✗
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.	✗ (see explanation below)
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 skills and knowledge needed to perform their role as directors effectively.	✓
Principle 3: Act ethically and responsibly		
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.	✓
Principle 4: Safeguard integrity in corporate reporting		
4.1.	The board of a listed entity should: (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 engagement partner.	✓ (majority of the period, see explanation below)
4.2.	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from the 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.	✓
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.	✓
Principle 5: Make timely and balanced disclosure		
5.1.	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligation under the Listing Rules; and (b) disclose that policy or a summary of it.	✓
Principle 6: Respect the rights of security holders		
6.1.	A listed entity should provide information about itself and its governance to investors via its website.	✓
6.2.	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	✓
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.	✓
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.	✓

Principle 7: Recognise and manage risk

7.1.	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, and disclose: 3. the charter of the committee; 4. the members of the committee; and 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	✓ (majority of the period, see explanation below)
7.2.	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	✓
7.3.	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	✓
7.4.	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.	✓

Principle 8: Remunerate fairly and responsibly

8.1.	The board of a listed entity should: (a) have a remuneration committee which: 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, and disclose: 3. the charter of the committee; 4. the members of the committee; and 5. as at the end of 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 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.	✓
8.2.	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	✓
8.3.	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	✓

Principle 1: Lay solid foundations for management and oversight

Functions of the Board

The Board is responsible for promoting the success of the Group in a way which ensures that the interests of shareholders and stakeholders are promoted and protected. The conduct of the Board is governed by the Constitution of Atlas, the Corporations Act, the ASX Listing Rules and common law.

The Board's responsibilities are detailed in a formal Board Charter which the Board is responsible for reviewing every year. The Board Charter is available on Atlas' website.

The following are regarded as the key responsibilities and functions of the Board:

- Developing, reviewing and monitoring long-term business strategies and providing strategic direction to management;
- Ensuring policies and procedures are in place to safeguard Atlas' assets and business, and to enable Atlas to act ethically and prudently;
- Developing and promoting corporate governance systems which ensure Atlas is properly managed;
- Identifying Atlas' principal risks and ensuring appropriate risk systems are in place and that management is taking appropriate action to mitigate those risks;
- Reviewing and approving Atlas' financial statements;
- Monitoring management's performance and Atlas' financial results on a regular basis
- Appointing, ratifying, appraising and determining the remuneration and benefits of the Managing Director;
- Ensuring Atlas has appropriate systems to comply with relevant legal and regulatory requirements that impact on its operations;
- Approving capital management of Atlas including share and loan capital and dividend payments;
- Determining and regularly reviewing an appropriate remuneration policy for employees;
- Appointing and where necessary, replacing the Chairman;
- Monitoring the effectiveness of Atlas' governance practices.

To assist it in carrying out its responsibilities, the Board has two Board Committees:

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

The Corporate Governance Committee was disbanded during the reporting period and the Nominations Committee merged with the Remuneration Committee.

New Directors

New Directors are provided with a formal letter of appointment which sets out the terms and conditions of appointment including their duties, rights, responsibilities, the time commitment envisaged and expectations. Prior to the appointment of Directors, appropriate checks are undertaken into a candidate's character, experience, education, criminal record and bankruptcy history.

Atlas believes that it is important that new Directors are able to contribute to the Board's decision making process at the earliest opportunity and has established a Director induction procedure to assist with this process. Director induction is tailored for each new Director (depending on their requirements, skills, qualifications and experience) and is facilitated by the Chairman and the Company Secretary. The induction includes meeting with the other Board members, the Managing Director, Atlas' Executive Leadership Team and Atlas' external auditors to gain an insight into the key issues, values and culture of Atlas. The induction also includes a visit to Atlas' major operational sites.

Director Election and Re-election

Atlas provides shareholders, in the relevant notice of meeting, with all material information in its possession relevant to their decision regarding whether or not to elect or re-elect a director.

Non-executive Directors must retire at the third Annual General Meeting (**AGM**) following their election or most recent re-election. At least one non-executive Director must stand for election at each AGM. Any Director appointed by the Board to fill a casual vacancy since the date of the previous AGM must submit themselves to shareholders for election at the next AGM. Board support for the Director's re-election is not automatic and is subject to satisfactory Director performance.

A Managing Director may be appointed by the Board for any period and on any terms the Director's deem appropriate and, subject to the terms of any agreement entered into, may revoke any appointment.

Subject to the requirements of the Corporations Act 2001, the Board does not subscribe to the principle of a set retirement age for Directors.

Delegation to the Managing Director and to the Executive Leadership Team

The Board has delegated to Atlas' Managing Director responsibility for the day to day Management of Atlas and its business. The Managing Director is supported in this function by the Executive Leadership Team. The Board maintains ultimate responsibility for strategy and control of Atlas.

The Managing Director is responsible for:

- the effective leadership of Atlas;
- the preparation and implementation of development and operational plans to achieve the strategic, operational and financial objectives of Atlas as determined by the Board;
- the management of the day to day affairs of Atlas including its people, processes, policies and systems;
- the conduct of commercial negotiations with other entities;
- the development and maintenance of effective relationships with Atlas' employees, shareholders, joint venture partners, governments at all levels and government agencies, suppliers and customers, and local landowners;
- ensuring that Atlas complies with all applicable laws and regulations, including applicable ASX Listing Rule disclosure requirements;
- reporting to the Board, or as directed by the Board, and providing prompt and full information regarding the conduct of the business of Atlas; and
- ensuring all material matters that affect Atlas are brought to the Board's attention.

Specific limits on the authority delegated to the Managing Director and the Executive Leadership Team are set out in the Delegation of Authority Policy and Financial Risk Management Policy approved by the Board.

All members of the Executive Leadership Team report to the Managing Director and have a formal job description and employment contracts which describe their term of office, duties, rights and responsibilities, and entitlements on termination.

Company Secretary

In addition, to facilitating the induction of new Directors, the Company Secretary is also responsible for facilitating the professional development of Directors, the implementation of Board policies and procedures and providing advice to the Board and its Committees on corporate governance matters.

The Company Secretary attends all Board and Committee meetings and ensures that the business at Board and Committee meetings is accurately captured in minutes of these meetings. All minutes are entered into a minute book maintained for that purpose and which is open at all times for inspection by any Director.

The Company Secretary is accountable to the Board, through the Chairman, on all governance matters.

Diversity

Atlas values diversity in all aspects of its business and is committed to creating a working environment which is inclusive of all people regardless of their differences. Atlas Management recognises that diversity enhances productivity, retention, creativeness and balance amongst many things at Atlas which in turn helps create sustainable shareholder value. We believe diversity will provide a more dynamic and enjoyable work environment for our people and through varied thinking styles and experiences, this often creates new opportunities for Atlas.

Through its Equal Opportunity and Diversity Policy, Atlas is committed to maintaining a diverse workforce and to create a workplace that is fair and inclusive, applies fair and equitable employment practices and provides a working environment that will allow all employees to reach their full potential. Diversity incorporates a number of factors, including gender, marital or family status, sexual orientation, age, race, cultural background and ethnicity, religious or political affiliations or opinions, family responsibilities and disability.

Whilst diversity includes the matters outlined above, the Atlas Board in addition to the ASX Corporate Governance Council identify gender as a key area of focus and accordingly key initiatives and measurable objectives have been set to increase gender diversity at Atlas.

The Board set the following measurable objectives for promoting gender diversity during the financial year:

1. An education program on gender diversity and diversity of thought is developed and attended by all level 3 -5 managers;
2. Atlas undertakes an external assessment of all level 3-5 managers to ascertain if unconscious bias exists and where it does, develops an action plan to address the issue;
3. Diversity KPI's established for the Board and KMP's demonstrating year on year continuous improvement for gender diversity at levels 3-5 where applicable;
4. Record and report on the sourcing and selection process for all level 3-5 vacant positions to ensure gender diversity is considered;
5. Nomination of male and female diversity champions at leadership levels.

Given the economic environment over the past 12 months, objectives 1 to 3 were deferred and will be reviewed for implementation this coming financial year. Objectives 4 and 5 have been completed.

Details of female representation as at 30 June 2015 at Atlas are set out below:

Total Workforce	27%
Board of Directors	40%
Non-Executive Directors	67%
Executive	0%
Executive Management	0%
General Management	40%
Management	18%
Senior Professional	24%
Other	44%

The Equal Opportunity and Diversity Policy is available on Atlas' website.

Evaluation of the Board

The Board regularly reviews the performance of the Board and its Committees.

In addition, Atlas has a three year process for independent evaluation of Board performance and appointed an independent consultant to facilitate a full external evaluation. The evaluation was completed in July 2014 with the results of the evaluation indicating Atlas' Board to be performing well above average when compared to other boards. A formal review was not conducted in the financial review given completion of the external review in July 2014.

Evaluation of Senior Executives

All members of the Executive Leadership Team have a formal position description and key performance measures are established at the commencement of the financial year. Performance measures include occupational health and safety, environment, operational performance targets along with other targets specific to the individual role and responsibilities of that senior executive.

The Managing Director assesses the performance of the Executive Leadership Team, and the Chairman assesses that of the Managing Director, against the measures on an annual basis. Due to the extraordinary level of activity and rate of change within the business, internal performance evaluations this financial year have been informal although the business has conducted formal reviews for certain staff. However, an externally facilitated peer performance review was conducted subsequent to the end of the financial year on the Managing Director, Executive Leadership Team and Senior Leadership Team. The purpose of the review was to ensure the executive team performs at an optimal standard.

Newly Appointed Senior Executives

Atlas believes that it is important that newly appointed senior executives are able to participate fully and actively in management decision-making at the earliest opportunity. Upon commencement newly appointed senior executives are inducted into Atlas' business to enable them to gain an understanding of Atlas' financial position, strategies, operations, risk management policies and the respective rights, duties, responsibilities and roles of the Board and the Executive Leadership Team.

Principle 2: Structure the board to add value

Atlas is committed to ensuring that the composition of the Board continues to comprise Directors who bring an appropriate mix of skills, experience, expertise and diversity to effectively govern Atlas' business.

Nomination Committee

During the reporting period, the Nomination Committee combined with the Remuneration Committee to form the Remuneration and Nomination Committee.

The Nomination Committee met once during the financial year. The Nomination Committee comprised Mr David Flanagan, Ms Sook Yee Tai, and a majority of independent Directors – Mr David Hannon, Mr David Smith and Ms Kerry Sanderson AO. Ms Kerry Sanderson AO, an independent director, was the Chair of the Nomination Committee.

The newly formed Remuneration and Nomination Committee met three times during the financial year. The Remuneration and Nomination Committee comprised Mr David Flanagan, Ms Sook Yee Tai and a majority of independent Directors - Mr David Smith, Mr Jeff Dowling, and Ms Kerry Sanderson AO (until her resignation on 19 September 2014). Following the resignation of Ms Kerry Sanderson, there was an equal number of independent and non-independent directors on the Committee.

Mr David Smith, an independent director, was the Chair of the Remuneration and Nomination Committee until his resignation on 31 May 2015 and Ms Sook Yee Tai was appointed as Chair from 1 July 2015. From 24 July 2015, Atlas considers Ms Sook Yee Tai to be an independent director so at the date of this report, the Committee has a majority of independent directors comprising Mr Jeff Dowling and Ms Cheryl Edwardes (Hon).

The Remuneration and Nomination Committee operates under a formal Remuneration and Nomination Committee Charter published on Atlas' website.

One role of the Remuneration and Nomination Committee is to assist the Board in relation to the selection and appointment of members of the Board. The Committee has responsibilities including regularly reviewing and making recommendations to the Board about the size and composition of the Board (including mix of skills knowledge and experience) to ensure that the Board is of an appropriate size and composition conducive to making decisions that are appropriate for Atlas and which incorporates an appropriate range of skills and expertise.

Director Skills, Experience and Attributes

The Remuneration and Nomination Committee reviews the Board composition annually to ensure it continues to have the right balance of skills, experience, independence and knowledge to discharge its responsibilities.

In addition to Directors demonstrating unquestioned honesty, integrity, willingness to question and other attributes to effectively govern Atlas' business, the Remuneration and Nomination Committee has determined the key skills and experience to achieving that right balance. The Committee maintains a Board skills matrix to assess the level of experience each Director as well as the overall composition of the Board. These skills and experience, and the extent to which they are represented on the Board and its Committees, as at the 30 June 2015 are set out in the table below.

Further Directors must also be able to commit sufficient time and resources to perform their role effectively, be clear communicators, good listeners and actively contribute to the Board in a collegial manner.

The Board met 35 times during the financial year. Directors' attendances are in the Annual Report on page 48.

At the commencement of the financial year, the Board comprised seven non-executive Directors and two executive Directors. During the financial year, the following changes occurred to the composition of the board:

- Resignation of Ms Kerry Sanderson AO effective 19 September 2014;
- Resignation of Mr Geoff Simpson effective 2 December 2014;
- Resignation of Mr Mark Hancock effective 2 December 2014;
- Resignation of Mr David Hannon effective 10 March 2015;
- Appointment of Ms Cheryl Edwardes (Hon) effective 6 May 2015;
- Resignation of Mr David Smith effective 31 May 2015;
- Appointment of Mr David Flanagan as Managing Director effective 11 June 2015;
- Appointment of Ms Cheryl Edwardes (Hon) as Chairman effective 11 June 2015.

As at 30 June 2015, the Board comprised three non-executive Directors and two executive Directors. As at the date of this report, the Board comprises four non-executive directors and one executive director.

A brief description of all Directors' qualifications, experience, special responsibilities and the period of office held is set out in the Annual Report on pages 26 to 27.

The Board is of the view that its current Directors possess an appropriate mix of skills, experience, expertise and diversity to enable the Board to discharge its responsibilities and to deliver Atlas' corporate objectives.

Independent Decision Making

Directors have unrestricted access to Atlas' records and information reasonably necessary to fulfil their responsibilities. Directors also have access to the Company Secretary on any matter relevant to their role as a Director and have access to other relevant senior management to seek additional information concerning Atlas' business.

Under Atlas' Board Charter, the Board collectively, and each Director individually, has the right to seek independent professional advice at Atlas' expense to help them carry out their responsibilities.

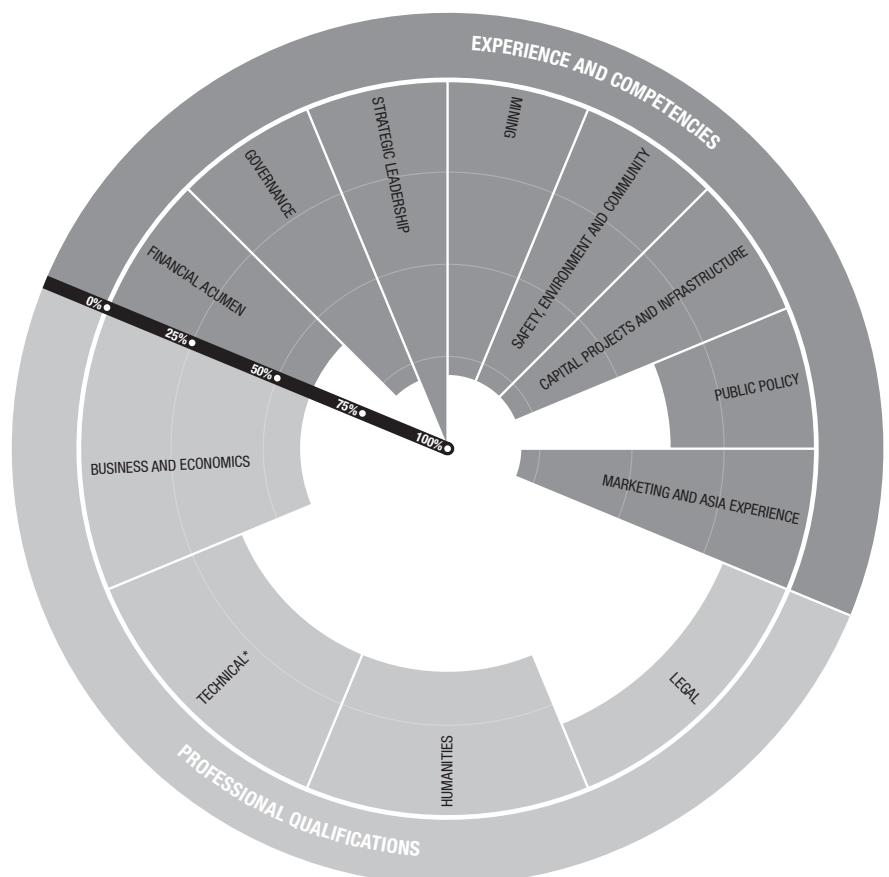
The non-executive Directors confer regularly, without Management being present. A standing item for a meeting without Management exists on each Board Agenda which provides non-executive Directors the opportunity to confer without Management.

Independent Directors

Atlas considers a Director to be independent if the Director is independent of management and free of any business or other relationship that could materially interfere, or be perceived as interfering, with the exercise of an unfettered and independent judgement in relation to matters concerning Atlas.

In assessing independence, the Board reviews the relationship that the Director, and the Director's associates, have with Atlas. In determining whether a Director is independent, the Board has considered whether the Director:

- is a substantial shareholder of Atlas or an officer of, or otherwise associated directly with, a substantial shareholder of Atlas;
- within the last three years, has been employed in an executive capacity by Atlas or any of its related bodies corporate;



Total out of 5 directors

*Comprises construction, engineering, metallurgy, geology and science.

- within the last three years, has been a principal of a material professional adviser or a material consultant to Atlas or any of Atlas' related bodies corporate;
- is a material supplier to, or customer of, Atlas or any of Atlas' related bodies corporate, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has a material contractual relationship with Atlas; or
- has any interest, or any business or other relationship, which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in Atlas' best interests.

The test of whether a relationship or business is material is based on the nature of the relationship or business and on the circumstances and activities of the Director. Materiality is considered from the perspective of Atlas and its related bodies corporate, the persons or organisations with which the Director has an affiliation, and from the perspective of the Director.

In addition, non-executive Directors should not serve for such a period that their independence may have been compromised. In that regard, the Board assesses whether any non-executive Director who has served in that position for more than ten years continues to be independent or has formed associations with Management (or others) that might compromise his or her ability to discharge his or her duties as non-executive Director in the best interests of Atlas.

The Board regularly assesses the independence of the Directors and, during the financial year has specifically considered the independence of all Directors in accordance with the above criteria.

The Board has determined that five out of the ten Directors who attended meetings during the financial year are, and were throughout the entirety of their period of appointment, independent. These are Mr David Hannon, Dr David Smith, Ms Kerry Sanderson AO, Mr Jeff Dowling and Mr Geoff Simpson.

The five Directors not considered to be independent during the financial year are:

- Mr David Flanagan as he was an Executive Director and a member of Management until 21 August 2012, and was re-appointed to Management on 11 June 2015;
- Mr Ken Brinsden as he was an Executive Director and a member of Management up to 1 September 2015;
- Mr Mark Hancock as he was an Executive Director up to 2 December 2014 and a member of Management;
- Ms Sook Yee Tai as she is an executive of IMC Group, which was a substantial shareholder of Atlas until 24 July 2015. Post 24 July 2015, IMC ceased to be a substantial holder of Atlas and Ms Tai is now considered to be independent.

Ms Cheryl Edwardes (Hon) is also considered not to be independent as she worked as a consultant advising Atlas up to her appointment on as a director 6 May 2015, and was previously a member of Management.

For all decisions made by the Board, Ms Tai and Ms Edwardes (Hon) bring substantial expertise and experience to the Board. The Board considers that the value of this expertise and experience outweighs any issues that may be associated with Ms Tai and Ms Edwardes (Hon) not having 'independent Director' status. Atlas considers Ms Sook Yee Tai to be an independent director from 24 July 2015 when the IMC Group ceased to hold a substantial shareholding in Atlas.

At the date of this report, two of Atlas' five Directors are independent, which does not meet the recommendation in ASX Corporate Governance Principle 2.4 that the Board have a majority of independent Directors. In light of the reduced size of the business, Atlas has no immediate plans to appoint new directors to the Board but will continually assess whether the board composition is fit for purpose.

Conflicts of Interest

The Board reviews at each Board meeting any conflicts of interest that may occur. A Director with an actual or potential conflict of interest in relation to a matter before the Board does not receive the Board papers relating to that matter. When the matter comes before the Board for discussion, the Director will withdraw from the meeting for the period the matter is considered and takes no part in the discussions or decision-making process. Minutes reporting on matters in which a Director is considered to have a conflict of interest are not provided to that Director. However, the Director is given notice of the broad nature of the matter for discussion and is updated in general terms on the progress of the matter.

Chair and Lead Independent Director

In accordance with Atlas' Board Charter, the role of the Chair and Managing Director is not exercised by the same individual.

The role of the Chair of the Board has been held by a non-independent Director throughout the period. The Atlas Board Charter sets out that the Chairman where practicable shall be an independent Director. However, where the Chairman is not independent, then the Board will consider appointing another Director who is independent as a Lead Independent Director.

Mr Flanagan, Non-Executive Chairman until 11 June 2015, was not considered an independent Director due to his prior role with Atlas as Managing Director. Ms Edwardes (Hon), Non-Executive Chairman from 11 June 2015, is not considered an independent Director due to her prior role with Atlas as consultant. Atlas

has therefore not followed recommendation 2.5 of the ASX Guidelines. Mr Flanagan as the founder of Atlas is of crucial importance to Atlas and oversaw Atlas' activities with a particular emphasis on strategy and corporate issues. Ms Edwardes' experience with the Atlas business and government is invaluable to the Company.

Until his resignation on 31 May 2015, Mr David Smith, Non-Executive Director, held the role of Lead Independent Director. The role of the Lead Independent Director is to take the chair at any meeting for an item where the Chairman has a conflict of interest (whether actual or perceived), and where required, act as liaison point for the independent Directors. The Lead Independent Director may, in discharging his or her role, convene a meeting of independent Directors for the purpose of discussing any issues of particular interest to the independent Directors. Given the reduced size of the Board, Atlas has not appointed a new Lead Independent Director.

Continuing Professional Development

Additionally, the Remuneration and Nomination Committee is responsible for identifying a plan for periodically assessing and enhancing Director competencies to ensure the Board possess the appropriate range of skills and expertise. Directors of Atlas have a continuing education program which includes ongoing briefings on relevant developments such as in legal and accounting standards.

Principle 3: Act ethically and responsibly

Code of Conduct

Atlas considers ethical decision making to be integral to the conduct of its business. Atlas has a Code of Conduct that applies to its Directors, officers, employees and contractors which outlines how Atlas expects its Directors and employees to behave and conduct business both in the workplace and with third parties.

Directors, employees and contractors must conduct themselves in a manner consistent with current community and corporate standards and in compliance with all legislation. The objective of the Code of Conduct is to provide a benchmark for professional behaviour throughout Atlas, support Atlas' business reputation and corporate image within the community, and make Directors and employees aware of the consequences if they breach the Code of Conduct.

Atlas aims to maintain the highest standard of ethical behaviour in business dealings and expects its Directors and employees to behave with integrity in all its dealings with customers, clients, shareholders, government, employees, suppliers and the community. Directors and employees are expected to perform their duties

in a professional manner and act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of Atlas. This should involve as a minimum:

- acting within applicable laws, particularly those that deal with matters covered by the code, including equal opportunity and anti-discrimination laws;
- acting with honesty and courtesy;
- acting with fairness and respect in supervision;
- encouraging co-operation;
- fostering an environment where rational debate is encouraged, with a view to achieving shared goals;
- avoiding behaviour that might reasonably be perceived as bullying or intimidation; and
- understanding and responding to the needs of Atlas' broader stakeholders including the community at large.

Atlas is committed to maintaining a healthy and safe working environment for its employees. Atlas continues to focus on occupational health and safety processes to ensure that appropriate occupational health and safety standards, systems and procedures are introduced and implemented. All appropriate laws and internal regulations (including occupational health and safety laws) must be fully complied with. Atlas will take into account the impact of health and safety issues when making business decisions, setting short term incentive program targets and must ensure that business decisions do not compromise the commitment to avoiding injury to people.

Atlas' Code of Conduct requires that all business transactions must be conducted solely in the best interests of Atlas. Employees must avoid situations where their personal interests could conflict with the interests of Atlas. A conflict of interest exists where loyalties are divided. A person can have a potential conflict of interest if, in the course of their employment or engagement with Atlas, any decision they make could provide for an improper gain or benefit to themselves or an associate. A conflict of interest may be defined as an issue that may occur when personal interests, the interests of an associate or relative or a duty or obligation to some other person or entity, conflict with a person's duty or responsibility to Atlas. Accordingly, Atlas' Code of Conduct outlines that Employees must not:

- Enter into any arrangement or participate in any activity that would conflict with Atlas' best interests or would be likely to affect Atlas' reputation;
- Not take advantage of the property or information of Atlas or its clients for personal gain or to cause detriment to Atlas; and
- Not take advantage of their position or the opportunities arising therefrom for personal gain.

Employees must notify their manager, the

Managing Director or Company Secretary if the individual suspects that there is a conflict of interest or a potential conflict of interest.

Atlas' Code of Conduct is available on Atlas' website.

Principle 4: Safeguard integrity in corporate reporting

The Board has an established Audit and Risk Management Committee (**ARC**). ARC's primary function is to monitor and review on behalf of the Board the effectiveness of the control environment of Atlas in areas of operational and balance sheet risk, legal/regulatory compliance and financial reporting. ARC's overriding objective is to provide an independent and objective review of financial and other information prepared by management, in particular that to be provided to shareholders and filed with regulators. The ARC operates under a formal Audit and Risk Committee Charter a copy of which is available on Atlas' website.

The ARC met three times during the year. Directors' attendances are set out in the Annual Report on page 48. During the reporting period, the ARC has been comprised of Mr Jeff Dowling (independent Chairman), Mr David Hannon (up to his resignation on 10 March 2015), Mr Geoff Simpson (up to his resignation on 2 December 2014) and Ms Sook Yee Tai (appointed to the Committee on 1 January 2015). All members are non-executive Directors, and at all meetings during the reporting period the majority of the directors were independent. Mr Jeff Dowling is a qualified accountant and is an ex-partner of Ernst & Young. Mr David Hannon has a long standing career as partner of an investment bank, Mr Geoff Simpson is the Managing Partner of the Perth office of a global law firm and Ms Sook Yee Tai is the Group Managing Director of IMC Industrial Group. All members are financially literate and have extensive experience of the industry in which Atlas operates.

Further details of the qualifications and experience of ARC members are disclosed in the Annual Report on pages 26 to 27.

The Committee comprises three members, all of whom are non-executive Directors and a majority of whom are independent directors in compliance with ASX Corporate Governance Principle 4.1(a) throughout the period, except for the period between 10 March 2015 and 1 July 2015 being the dates between the resignation of Mr David Hannon from and the appointment of Ms Cheryl Edwardes (Hon) to the Committee.

The ARC Charter sets out the roles and responsibilities, composition, structure and membership requirements of the ARC. The ARC's primary responsibilities include:

- overseeing Atlas' relationship with the external Auditor and the external audit function;
- overseeing the adequacy of the control processes in place in relation to the preparation of financial statements and reports;
- overseeing the adequacy of Atlas' financial controls and risk management systems.

The Managing Director, Chief Financial Officer (who also has responsibility for Atlas' Group Risk and Compliance function) and Company Secretary, and external auditor attend the ARC meetings at the discretion of the ARC. ARC meets privately with the external auditor on general matters concerning the external audit and other related matters, including the half year and full year financial reports.

ARC also oversees the independence of the external auditor. The external auditor is precluded from providing any services that might threaten their independence, or conflict with their assurance and compliance role. The Directors have concluded that non-audit services provided did not compromise the external auditor's independence requirements under the Corporations Act.

Atlas' external auditor is KPMG. The effectiveness and performance of the external auditor is reviewed annually by ARC. The lead audit partner is required to rotate after a maximum of five years. Mr Rob Gambitta was the lead audit partner for KPMG, and was appointed on 29 October 2010. Mr Gambitta retired as the lead audit partner following the conclusion of the 2015 financial year audit. Mr Trevor Hart, partner, KPMG, is now the lead audit partner.

If it becomes necessary to replace the external auditor for performance or independence reasons, the ARC will formalise a procedure and policy for the selection and appointment of a new auditor.

The ARC collectively, and its members individually, have access to internal and external resources, including access to advice from external consultants or specialists.

The Managing Director and the Chief Financial Officer have provided the Board with written assurances that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Atlas auditors are required to be present and shareholders are also given reasonable opportunity to ask the auditor about the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by Atlas and the independence of the auditor.

Principle 5: Make timely and balanced disclosure

Atlas' Continuous Disclosure and Shareholder Communication Policy describe Atlas' continuous disclosure obligations and how they are managed by Atlas, as well as how Atlas communicates with financial markets. A copy of the Policy is published on Atlas' website.

The Continuous Disclosure and Communications Policy applies to all Directors of Atlas, the Managing Director's direct reports, the Company Secretary and members of Senior Management. Atlas reports to the Board monthly on continuous disclosure matters and Directors receive copies of all announcements immediately after notification to the ASX. All ASX announcements are signed off by the Company Secretary and the Managing Director prior to transmittal to the ASX.

Principle 6: Respect the rights of security holders

Atlas respects the rights of its shareholders and is committed to communicating effectively with shareholders and the market. Atlas' Continuous Disclosure and Communications Policy sets out its policy for communications with shareholders and the market and is designed to promote effective communication with shareholders and encouraging their participation at general meetings. The Continuous Disclosure and Communications Policy is available on Atlas' website.

Atlas publishes all of its ASX announcements on its website, including Notices of General Meetings, Investor Presentations, Quarterly, Half Yearly and Annual Reports. All announcements made to the ASX are available to shareholders by email notification when a shareholder subscribes to the Atlas Email Alerts via the Atlas website and elects to be notified of all Atlas' ASX announcements.

Atlas also has on its website, profiles of its Director and senior management, a Corporate Governance section containing Atlas' Constitution, Board and Committee Charters, key results dates, historical information about the market prices of Atlas and contact details of Atlas' share registry. In addition Atlas has made available an email address for shareholders and investors generally to make enquiries of Atlas.

Atlas encourages and welcomes shareholder participation at general meetings with the AGM being the major forum for shareholders to ask questions about the performance of Atlas and to provide feedback.

The Chairman allows reasonable opportunity for shareholders as a whole to ask questions or make comments about the financial report and the management of Atlas.

The Chairman may respond directly to questions or, at his discretion may refer the question to another Director, Managing Director or a member of the Executive Leadership Team.

To encourage greater shareholder participation at general meetings, Atlas provides the option for shareholders to vote by proxy electronically through its share registry. Shareholders also have at their election, the option to receive communications electronically.

Principle 7: Recognise and manage risk

A role of the Audit and Risk Committee is to oversee risk. See page 48 of the Annual Report in relation to the composition, charter and meetings of the Audit and Risk Committee.

The Audit and Risk Committee as well as the Board undertook a review of Atlas' risk management framework in January 2015 to satisfy itself that the framework continues to be appropriate.

Atlas does not have an internal audit function.

Atlas recognises the importance of identifying and managing business risks and ensuring appropriate control measures are in place. Atlas has established a risk management policy and system for oversight and management of material business risk which is embedded in the business through implementation of the Risk & Opportunity Management (ROM) program. The program operates across all areas of the business and links with Atlas' strategic and business planning processes, supporting Atlas to achieve its goals. The ROM policy defines Atlas' commitment to:

- Integrating ROM with other business systems;
- Establishing a culture of ROM to ensure benefits are realised;
- Developing people's knowledge and understanding of ROM;
- Implementing actions to agreed standards and timeframes; and
- Utilising ROM to achieve strategic objectives.

The ROM program provides the framework to identify, assess, manage, escalate and delegate risks in a systematic and consistent manner. The ROM program broadly categorises risks as follows:

- Strategy- risks impacting Atlas' long term business objectives;
- Divisional - risks impacting Atlas' divisional objectives for operations, corporate/ commercial and business development over a one to three year time horizon;
- Departmental - risks impacting Atlas' tactical departmental objectives over the budget cycle;
- Extreme - those risks which have the potential to cause significant business interruption.

Identified risks are mapped against business processes and activities, including land access and native title, geology and exploration, finance, operations, legal and commercial, information technology and human resources. Management provide quarterly risk reports to the Board and Audit and Risk Committee to ensure they are informed of the business' material risks and the risk management strategies to address these.

Atlas continues to develop a risk management culture within its departments to ensure Management apply the risk process to support decision making by linking risks to objectives and focussing time and resources towards significant and critical matters.

As part of our risk register review, Atlas identifies sustainability challenges. Independently-facilitated workshops rank the challenges and identify potential initiatives to mitigate the risk. The results are then presented to the Audit and Risk Committee, the Executive Leadership Team, and the Board.

Principle 8: Remunerate fairly and responsibly

One role of the Remuneration and Nomination Committee is to review and assist the Board in developing Atlas' remuneration, recruitment, retention and termination policies. See page 48 of the Annual Report in relation to the composition, charter and meetings of the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee makes recommendations to the Board in relation to remuneration policies applicable to Directors and the Executive Leadership Team, which are balanced and are aligned with the long term growth and success of Atlas.

The Managing Director attends the meetings of the Remuneration and Nomination Committee by invitation when required to report on and discuss the Executive Leadership Team's performance, and remuneration and related matters, but is not present at meetings when his own performance or remuneration is discussed.

Atlas' remuneration structure distinguishes between Non-Executive Directors, Executive Directors (where applicable) and that of the Managing Director. A Remuneration Report required under Section 300A(1) of the Corporations Act is provided in the Annual Report on pages 37 to 47.

The Executive Leadership Team and the Managing Director have an annual and long term incentive component as part of their total remuneration package. The long term incentive component is settled with equity based remuneration subject to performance hurdles being satisfied.

The mix of the remuneration components and the measures of performance in the incentive plans have been chosen to ensure that there is link between remuneration and the achievement of targets, which lead to returns to shareholders.

Non-executive Directors do not receive equity based remuneration.

Atlas' Guidelines for Dealing in Securities

Atlas' Guidelines for Dealing in Securities sets out the circumstances in which Atlas' Directors, senior management and other employees may buy or sell securities in Atlas.

Atlas' Guidelines for Dealing in Securities Policy are available on Atlas' website. The Guidelines prohibit employees who are participants in any equity-based incentive plan established by Atlas from entering into transactions (whether through the use of derivatives or otherwise) that limit the economic risk of the securities or rights allocated under the plans during the period prior to vesting or the end of any restrictions imposed on the securities or rights or otherwise prior to the date of exercise of any securities.



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