

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Silver Lake Resources Limited

ABN/ARBN

38 108 779 782

Financial year ended

30 June 2015

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

- these pages of our annual report: _____
- this URL on our website: www.silverlakeresources.com.au/corporate/corporate-governance

The Corporate Governance Statement is accurate and up to date as at 15 October 2015 and has been approved by the board.

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

Date here: 15 October 2015



Sign here: _____
Company secretary

Print name: Peter Armstrong

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.

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 <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<u>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</u>			
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></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):</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>www.silverlakeresources.com.au/corporate/corporate-governance</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<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>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.5 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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>www.silverlakeresources.com.au/corporate/corporate-governance</p> <p>... 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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
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>	<p>[If the entity complies with paragraph (a):] ... 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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>www.silverlakeresources.com.au/corporate/corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):] ... 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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>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 its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>2.3 A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 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> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <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.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<p>... our code of conduct or a summary of it:</p> <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at this location: www.silverlakeresources.com.au/corporate/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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	<p>[If the entity complies with paragraph (a):] ... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> <p>... and a copy of the charter of the committee:</p> <input checked="" type="checkbox"/> at this location: www.silverlakeresources.com.au/corporate/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>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>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<u>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</u>			
5.1	<p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our continuous disclosure compliance policy or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>www.silverlakeresources.com.au/corporate/corporate-governance</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<u>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</u>			
6.1	<p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>... information about us and our governance on our website:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>www.silverlakeresources.com.au</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.2	<p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.3	<p>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
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 OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> ... and a copy of the charter of the committee: <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> ... and the information referred to in paragraphs (4) and (5): <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> [If the entity complies with paragraph (b):] ... 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: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
	<input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>		
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 we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
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> <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> <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> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
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.	<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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
8.1 The board of a listed entity should: <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 OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>www.silverlakeresources.com.au/corporate/corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
	<p>executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Annual Report 2015</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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 Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<u>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</u>			
-	<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 checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



Corporate Governance Statement

October 15, 2015

This statement outlines the main corporate governance practices in place throughout the financial year, which comply with the ASX Corporate Governance Council recommendations, unless otherwise stated.

The Statement and other governance related documents, referred to in the statement, can be found on the Company's website at www.silverlakeresources.com.au, under the section marked "Corporate", "Corporate Governance".

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 Board's primary role is the protection and enhancement of long-term shareholder value.

The Company has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter.

The Board is responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring its financial performance, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

Senior Executives are responsible for supporting and assisting the Managing Director in implementing the running of the operations and financial aspects of the Company in accordance with the delegated authority of the Board. Senior executives are responsible for reporting all matters which fall within the Company's materiality thresholds at first instance to the Managing Director or, if the matter concerns the Managing Director, directly to the Chairman or the lead independent director, as appropriate.

Details of Company's materiality thresholds can be found in the Board Charter which is available within the corporate governance section on the Company website.

<p>1.2 A listed entity should:</p> <ul style="list-style-type: none"> 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>Appropriate checks are undertaken on director candidates, including checks on the person’s character, experience and education.</p> <p>Information regards relevant skills, experience and expertise of the Directors of the Company as at the date of this statement is included in the Annual Report and also in any notice of meeting where a Director is standing for election or re-election.</p>
<p>1.3 A listed entity should have a written service agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>The Company has a written agreement in place with each Director and Senior Executive which sets out the terms of their appointment. Material variations to these agreements are disclosed to the ASX.</p>
<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>	<p>The Company Secretaries report directly to the Managing Director, but have a direct line of communication with the Chairman and all Directors, and are responsible for supporting the proper functioning of the Board, including but not limited to, providing advice on governance and procedural issues and the preparation of Board papers and minutes.</p>

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 summary of it; and
- 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;
 - i. 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 those purposes); or
 - ii. 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.

The Company has established a Diversity Policy (disclosed on the Company website) which includes requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress towards achieving them.

For its 2015 Gender Equality Agency report, the Company set the objective of meeting or exceeding the industry female participation rate, subject to its policy of recruiting and promoting on merit and individual skills. As at 30 June 2015 Silver Lake had 20.8% females in its workforce compared with an industry average rate of 17.8% (Source: September 2015 CME Diversity in Resources Survey).

The Company's 2014-2015 Workplace Gender Equality Report can be viewed on the Company's website under the Corporate Governance Section.

As at the date of this report, the Company has 5 Board members and 3 Senior Executives*, all of whom are male. On an annual basis the Board reviews this composition and structure to ensure it is suitable to achieve long-term shareholder wealth.

**Senior Executive positions exclude the Managing Director and includes the Chief Financial Officer, Company Secretary, Exploration Manager and General Counsel.*

<p>1.6 A listed entity should:</p> <ul style="list-style-type: none"> 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. 	<p>The Chairman is responsible for the ongoing evaluation of the Board, Board committees and individual directors. The Nomination and Remuneration Committee and the Chairman of the Board are responsible for evaluating the performance of the Managing Director.</p> <p>The Managing Director’s performance is evaluated as part of the annual remuneration process and is reviewed against predetermined objectives.</p> <p>The Chairman and the Board regularly discuss the performance and composition of the Board and its various committees, considering issues or concerns as they arise. This ongoing process is conducted internally and informally and relies on regular discussion. Performance reviews for Board members were not undertaken in the reporting period ended 30 June 2015 as the Board is currently undergoing a renewal process with the departure of 3 directors and the appointment of a new Chairman.</p>
<p>1.7 A listed entity should:</p> <ul style="list-style-type: none"> 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. 	<p>The Managing Director is responsible for evaluating the performance of senior executives each year on the twelve month anniversary of their engagement. An appraisal form is completed by each senior executive, and a meeting is held between the Managing Director and the senior executive to review and document the performance and set objectives for the following year.</p> <p>During the reporting period ending 30 June 2015 all performance reviews for senior executives were conducted in accordance with the process described above.</p>

2. Structure the Board to add value

2.1 The board of a listed entity should:

- a. have a nomination committee which:
 - i. has at least three members, a majority of whom are independent directors; and
 - ii. is chaired by an independent director; and disclose
 - iii. the charter of the committee;
 - iv. the members of the committee; and
 - v. as at the end of the reporting period, the number of times the committee met throughout the period and 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 skills, knowledge , experience

The Board has a combined Nomination and Remuneration Committee. In January 2015 the Board reassessed its committees and a decision was made to combine the Nomination and Remuneration committees. The Charter of the Nomination and Remuneration Committee is available on the company website under the Corporate Governance section.

Those members acting on the Nomination & Remuneration Committee during the year ended 30 June 2015 were:

Director	Meetings Attended	Meetings Held
Les Davis* (Chairman)	0	0
David Griffiths	5	5
Brian Kennedy	5	5
Peter Johnston**	5	5

**Appointed 23 January 2015 **Resigned 23 January 2015*

With the exception of Les Davis, all members of the Committee were independent directors. Mr Davis is a Non-Executive Director however is not considered independent as he was previously Managing Director of the Company (up until November 2014).

Mr Davis, although not an independent director was appointed Chairman of the joint committee as being the director with the most appropriate skills set to take on this role.

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 its membership.

A profile of each Director setting out their skills, experience, expertise and period of office is set out in the Directors Report in the Annual Report.

A summary of the key skills and experience comprised within the Board are as follows:

Board Skills Matrix

Skills and Experience	Competency
Mining and Processing	Relevant industry experience from working within the resources sector.
Commercial	Executive exposure to accounting and financial reporting and requirements, internal financial controls and financial risk assessment
Governance	Experience in the Governance of organisations
Strategy	Experience in developing and implementing strategy successfully as well as having experience in identifying risk and managing to acceptable levels.
Human Resources	Experience in remuneration frameworks
Executive Leadership	Management experience at an executive level

<p>2.3 A listed entity should disclose:</p> <ul style="list-style-type: none"> a. the names of 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. 	<p>The Board currently consists of one executive director (the Managing Director) and four non-executive directors (including the Chairman). The Board considers three of the five directors are independent: Mr David Quinlivan (Chairman), Mr David Griffiths, Mr Brian Kennedy.</p> <p>The Board considers Mr Les Davis is not independent as he was previously Managing Director of the Company until November 2014 at which time he became a Non-Executive Director</p> <p>The Board complies with the guidelines of the ASX Corporate Governance Council on Directors independence.</p> <p>Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Board has developed procedures to assist directors disclose conflicts of interest.</p> <p>Information regards relevant skills, experience and expertise of the directors of the Company as at the date of this statement is included in the 2015 Annual Report. As at 30 June 2015 the period each Director was in office is as follows:</p> <table data-bbox="752 632 1128 788"> <tr> <td>Mr David Quinlivan</td> <td>< 1 year</td> </tr> <tr> <td>Mr Luke Tonkin</td> <td>2 years</td> </tr> <tr> <td>Mr Les Davis</td> <td>8 years</td> </tr> <tr> <td>Mr David Griffiths</td> <td>8 years</td> </tr> <tr> <td>Mr Brian Kennedy</td> <td>8 years</td> </tr> </table>	Mr David Quinlivan	< 1 year	Mr Luke Tonkin	2 years	Mr Les Davis	8 years	Mr David Griffiths	8 years	Mr Brian Kennedy	8 years
Mr David Quinlivan	< 1 year										
Mr Luke Tonkin	2 years										
Mr Les Davis	8 years										
Mr David Griffiths	8 years										
Mr Brian Kennedy	8 years										
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>At the date of this report a majority of the Board (three of the five Directors) are independent.</p>										
<p>2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>At the date of this report, the Chairman (Mr David Quinlivan) is an independent Non-executive Director.</p>										

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 to perform their role as directors effectively.

The Nomination and Remuneration Committee reviews the skills, experience and expertise of prospective and current directors and ascertains any shortcomings and/or development requirements. It also oversees induction programs and ongoing education requirements concerning key developments in the Company, as well as in the industry.

It is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chairman for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice. A copy of the advice received by the director is made available to all other members of the Board.

3. Promote ethical and responsible decision making

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.

The Company's Code of Conduct sets out the principles and standards which the Board, management and employees of the Company are encouraged to strive towards when dealing with each other, shareholders and the broader community.

The Company's Code of Conduct is disclosed on the company's website.

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Board has developed procedures to assist directors disclose conflicts of interest.

Where the Board believes that a significant conflict exists for a director on a board matter, the director does not receive any relevant board papers and is not present at the meeting whilst the item is considered.

4. Safeguard integrity in financial reporting

4.1 The board of a listed entity should:

- a. have an audit committee which:
 - i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
 - ii. is chaired by an independent director, who is not chair of the board,
 - iii. and disclose
 - iv. the charter of the committee
 - v. the relevant qualifications and experience of the members of the committee; and
 - vi. 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.

The Board has an Audit Committee. The role and function of the Audit Committee is set out in the Audit Committee Charter. A copy of the Charter is located on the Company's website. Members of this committee and the number of meetings held during the year ended 30 June 2015 are as follows:

Director	Meetings Attended	Meetings Held
David Griffiths (Chairman)	3	4
Peter Johnston*	3	4
Paul Chapman	4	4
David Quinlivan**	0	0

*Resigned 30 April 2015

**Appointed 25 June 2015

During the year all members of the Audit Committee were independent Non-Executive Directors. The Chairman (Mr David Griffiths) is an independent director who is not Chairman of the Board.

Details of each director's qualifications are set out in the Director's Report of the Annual Report. All of the members of the Audit Committee consider themselves to be financially literate and have relevant industry experience.

The Committee advises on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Group.

The Company has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the audit Committee. Candidates for the position of external auditor must demonstrate independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee and any recommendations are made to the Board.

The external auditor, the Managing Director and the Chief Financial Officer, are invited to audit committee meetings at the discretion of the Audit Committee.

<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 Company's Managing Director and Chief Financial Officer provide the Board with the appropriate assurances in relation to the statutory financial reports released by the Company.</p> <p>Prior to the Board's approval of the 31 December 2014 half year and 30 June 2015 full year financial statements, the Managing Director and Chief Financial Officer provided a written statement to the Board that, in their opinion, the financial records were properly maintained and that the financial statements complied with the appropriate accounting standards and gave a true and fair view of the financial position and performance of the Group and that the opinion was formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>The Company's external auditor is invited to, and attends the Company's Annual General Meeting. The auditor's presence is announced to Shareholders during the meeting, and Shareholders are provided with the opportunity to address questions to the auditor.</p>

5. Make timely and balanced disclosure

5.1 A listed entity should:

- a. have a written policy of complying with its continuous disclosure obligations under the Listing Rules; and
- b. disclose that policy or summary of it

The Company has established an Information Release Policy designed to ensure:

1. That all communications to external stakeholders regarding the Company's activities are timely, factual, accurate and broadly disseminated; and
2. A consistent approach to the Company's information release practices and compliance with continuous disclosure obligations.

A copy of the Information Release Policy is located on the Company's website.

6. Respect the rights of security holders

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

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:
 - i. has at least three members, a majority of whom are independent directors; and
 - ii. is chaired by an independent director; and disclose:
 - iii. the charter of the committee;
 - iv. the members of the committee; and
 - v. 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 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 Company does not currently have a committee to oversee risk; however, the Board has adopted a Risk Management Policy, which sets out the Company's risk profile. Under the policy, the Board is responsible for approving the Company's policies on risk oversight and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

Under the policy the Board delegates day-to-day management of risk to the Managing Director, who is responsible for identifying, assessing, monitoring and managing risks with the assistance of senior management. The Managing Director is also responsible for updating the Company's material business risks to reflect any material changes, with the approval of the Board.

In fulfilling the duties of risk management, the Managing Director has unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate.

The Board has established a separate Audit Committee to monitor and review the integrity of financial reporting and the Company's internal systems of financial control and risk management.

In addition, the following risk management measures have been adopted by the Board to manage the Company's material business risks:

- The Board has established authority limits for all employees;
- The Board has adopted a procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations. The Board holds an annual strategic planning meeting which incorporates the identification and management of Company risks; and
- The annual budget process includes the identification and management of individual operating site's risks and is reviewed by the Board.

<p>7.2 The board or a committee of the board should:</p> <ul style="list-style-type: none"> a. review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound; and b. disclose, in relation to each reporting period, whether such a review has taken place. 	<p>The Company has established a formal and documented system to manage material business risks. The Company holds strategy and review meetings at least annually at a Board level, operational level and exploration level. At these meetings the Company’s material business risks are identified and risk management strategies established.</p> <p>In addition, the process of management of material business risks is allocated to members of senior management.</p>
<p>7.3 A listed entity should disclose:</p> <ul style="list-style-type: none"> a. if it has an internal audit function, how the function is structured and what role it performs; or b. if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes 	<p>The Company does not currently have a formal internal audit function; however, the Audit Committee and the Board oversee the effectiveness of risk management and internal control processes.</p> <p>The Board has required management to design, implement and maintain risk management and internal control systems to manage the Company’s material business risks. The Board also requires management report to it confirming that those risks are being effectively managed. The Board has received a report from management as to the effectiveness of the Company’s management of its material business risks for the reporting period.</p> <p>At each balance date the Managing Director and Chief Financial Officer provide a written statement to the Board that, in their opinion, the financial records are 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 Group and that the opinion was formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>

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.

The categories of risk identified by the Company and reported on as part of its systems and processes for managing material business risk include financial, operational, human capital, economic cycle, legal and compliance.

In particular, the company has exposure in the following areas:

- Gold price and FX currency: The Company is exposed to fluctuations in the Australian dollar gold price which can impact on revenue streams from operations. To mitigate downside in the gold price, the Board has implemented a hedging program to assist in offsetting variations in the Australian dollar gold price. Hedging is an agenda item at each Board meeting to ensure it continues to fit within the Company's hedging strategy and is deemed appropriate.
- Government charges: The gold mining industry is subject of a number of taxes; royalties and charges levied by various Government departments. Changes to the rates of taxes, royalties and charges can impact on the profitability of the Company. The Company maintains communications with relevant parties to mitigate potential increases.
- Operating risk: The Group's gold mining operations are subject to operating risks that could result in decreased production, increased costs & reduced revenues. To manage this risk the Company seeks to attract and retain high calibre employees and implement suitable systems and processes to ensure production targets are achieved.

8. Remunerate fairly and responsibly

- 8.1 The board of a listed entity should:
- a. have a remuneration committee which:
 - i. has at least three members, a majority of whom are independent directors; and
 - ii. is chaired by an independent director; and disclose
 - iii. the charter of the committee;
 - iv. the members of the committee; and
 - v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
 - 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.

The Board established a combined Nomination and Remuneration Committee on 23 January 2015. Members of this Committee and the number of meetings held during the year ended 30 June 2015 are:

Director	Meetings Attended	Meetings Held
Les Davis* (Chairman)	0	0
David Griffiths**	5	5
Brian Kennedy	5	5
Peter Johnston***	5	5

Appointed 23 January 2015 **Resigned 23 January 2015 *Resigned 30 April 2015*

The majority of the Committee are independent. The Chairman of the Committee, Mr Davis, is a Non-Executive Director however he is not considered independent as he was previously Managing Director of the Company (up until November 2014).

Mr Davis, although not an independent director was appointed Chairman of the joint committee as being the director with the most appropriate skills set to take on this role.

The Board has adopted a Nomination and Remuneration Committee Charter which describes the role, composition, functions and responsibilities of the Remuneration Committee.

The Company's Nomination and Remuneration Committee Charter is disclosed on the Company website.

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.

Details of remuneration, including the company’s policy on remuneration, are contained in the “Remuneration Report” which forms part of the Directors Report in the Annual Report.

In determining Executive remuneration, the Board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain high calibre talent;
- aligned to the Company’s strategic and business objectives and the creation of shareholder value;
- transparent and easily understood; and
- acceptable to shareholders.

The Company’s approach to remuneration ensures that remuneration is competitive, performance-focused, clearly links appropriate reward with desired business performance, and is simple to administer and understand by Executives and shareholders.

In line with the remuneration policy, remuneration levels and arrangements are reviewed annually to ensure alignment to the market and the Company’s stated objectives.

The Company’s reward structure provides for a combination of fixed and variable pay with the following components:

- fixed remuneration in the form of base salary, superannuation and benefits;
- short-term incentives (STI); and
- long-term incentives (LTI).

In accordance with the Company’s objective to ensure that executive remuneration is aligned to Company performance, a portion of Executives’ remuneration is placed “at risk”. The relative proportion of target FY2015 total remuneration packages split between the fixed and variable remuneration is shown below:

Executive	Fixed Remuneration	Target STI	Target LTI
Managing Director	45%	22%	33%
Other Executives	62%	19%	19%

There are no termination or retirement benefits for non-executive directors (other than for superannuation).

- 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 or participating in the scheme; and
 - b. disclose that policy or a summary of it.

The Company's Policy for Trading in Company Securities includes a statement of the Company's policy on prohibiting transactions in associated products which limit the risk of participating in unvested entitlements under any equity based remuneration schemes.

This is can be viewed on the Company's website.

Details of the Company's equity based remuneration schemes are included in the Remuneration Report section of the 2015 Annual Report.