

2017 CORPORATE GOVERNANCE STATEMENT



Atlas Iron Limited (**Atlas** or **the Company**) 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 the ASX Corporate Governance Council's 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 in each financial year 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. The following corporate governance charters, standards and guidelines can be viewed on Atlas' website <http://www.atlasiron.com.au/site/company1/Corporate-Governance>:

Board Charter	Remuneration Committee Charter
Audit & Risk Committee Charter	Code of Conduct
Nomination and Governance Committee Charter	Securities Trading Policy
Continuous Disclosure and Communications Policy	Equal Employment Opportunity and Diversity Policy
Privacy Policy	Whistleblower Policy

This 2017 Corporate Governance Statement was approved by the Board on 28 August 2017 and is current as at 28 August 2017. A description of the Atlas corporate group's (**Group**) current corporate governance practices is set out in this Group Corporate Governance Statement which also can be viewed on Atlas' website.

A summary of the ASX Guidelines and the extent to which Atlas has followed these during the financial year which commenced on 1 July 2016 and ended on 30 June 2017 (**FY2017**) is set out below. The necessary explanations and disclosures follow the table or are incorporated by reference to other publicly available documents. Unless otherwise specified in this 2017 Corporate Governance Statement, the extent specified below of adoption or non-adoption of each recommendation in the ASX Guidelines continued for the entirety of FY2017.

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; and	✓

<p>(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:</p> <ol style="list-style-type: none"> 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. 	(see explanation below)
<p>1.6. A listed entity should:</p> <ol 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 style="text-align: center;">✓</p> <p>(see explanation below)</p>
<p>1.7. A listed entity should:</p> <ol 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 style="text-align: center;">✓</p> <p>(see explanation below)</p>
Principle 2: Structure the board to add value	
<p>2.</p> <p>2.1. The board of a listed entity should:</p> <ol style="list-style-type: none"> (a) have a nomination committee which: <ol style="list-style-type: none"> 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, and disclose <ol style="list-style-type: none"> 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. 	<p style="text-align: center;">x (see explanation below)</p>
<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</p>	<p style="text-align: center;">✓</p>
<p>2.3. A listed entity should disclose:</p> <ol style="list-style-type: none"> (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. 	<p style="text-align: center;">✓</p>
<p>2.4. A majority of the board of a listed entity should be independent directors.</p>	<p style="text-align: center;">x(see explanation below)</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 style="text-align: center;">✓</p>
<p>2.6. A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for director to develop and maintain skills and knowledge needed to perform their role as directors effectively.</p>	<p style="text-align: center;">✓</p>

Principle 3: Act ethically and responsibly	
3. 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. 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.	x (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. 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. 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. 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;	x (see explanation below)

<p>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.</p>	
<p>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.</p>	✓
<p>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.</p>	✓
<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.</p>	✓
Principle 8: Remunerate fairly and responsibly	
<p>8. 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.</p>	✓
<p>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.</p>	✓
<p>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.</p>	✓

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 2001* (Cth) (**Corporations Act**), the ASX Listing Rules and common law.

The Board's and the Managing Director's key responsibilities are detailed in a formal Board Charter which the Board is responsible for reviewing every financial 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; and
- Monitoring the effectiveness of Atlas' governance practices.

To assist it in carrying out its responsibilities, during FY2017 the Board had three Board Committees, which are still operating:

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

Subject to the ASX Listing Rules, Directors (other than the Managing Director) 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 law and terms of any agreement entered into, may revoke any appointment.

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, which sets out the circumstances in which an employee can approve actions or transact on behalf of the Company; and
- Financial Risk Management Policy, which identifies, evaluates and manages financial risk exposures such as foreign exchange risk, liquidity risk, counterparty credit risk and commodity risk.

Each of the Delegation of Authority and Financial Risk Management Policy has been 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 Employment Opportunity and Diversity Policy, Atlas is committed to maintaining a diverse workforce at all levels 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 and gender identity, 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 Guidelines, 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 Company set the following measurable objectives for promoting gender diversity during the financial year:

1. record, review and, if found, rectify gender pay gap; and
2. record and report on the sourcing and selection process for all vacant management and Board positions to ensure gender diversity is considered.

A report on sourcing and selection for all vacant management and Board positions during FY2017 was provided to the Nomination and Governance Committee post financial year end.

A review of remuneration percentiles in pay for FY2017 was completed post financial year end. No material gender pay gap was identified for non-management roles. Details of the gender pay gap apparent for management roles were reported to the Remuneration Committee and the Nomination and Governance Committee. Both Committees reviewed steps taken by management to reduce the gender pay gap during August 2017, which included making reference to external remuneration data as a guideline for remuneration reviews. As a result, objectives 1 and 2 have been completed.

Details of Atlas' percentage of female representation as at 30 June 2017 are set out below:

	Percentage (%)
Total Workforce	27.8
Board of Directors	20
Executive Leadership Team*	0
Senior Leadership Team	50
Managers	18
Senior Professionals	22
Other	38

*Employees who fall within this category are classified as "senior executives"

Further information can be obtained by accessing Atlas' Workplace Gender Equality Public Report and Equal Employment Opportunity and Diversity Policy, both of which are available in the corporate governance area of the Atlas website at <http://www.atlasiron.com.au/site/company1/Corporate-Governance>.

Aboriginal and Indigenous Employment

Atlas is committed to providing employment and training opportunities for Aboriginal people, including the Traditional Owners of the land on which Atlas operates whose continued cooperation and support is invaluable to Atlas' success. Atlas is mindful that particular care may need to be taken with respect to promoting Aboriginal employment; the Company is committed to ensuring that recruitment processes are culturally sensitive and encourage Aboriginal representation across all levels of the organisation. Atlas actively supports the delivery of cross-cultural awareness training to its entire workforce.

Evaluation of the Board, its Committees and individual directors

The Board regularly reviews the performance of the Board, its Committees and individual directors. On occasion, issues may arise which cannot be satisfactorily considered by the Board itself, in which case the Board may engage an independent adviser to undertake the review. Due to changes at the executive level, the Board did not undertake a review of the Board, its Committees and individual directors during the 2017 financial year. The next evaluation of the Board and its Committees is, however, expected to be completed before the end of 2017. The Nomination and Governance Committee assists in the review process, in accordance with its Committee Charter.

Evaluation of Senior Executives

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

The Managing Director normally assesses the performance of the Executive Leadership Team on an annual basis. The Chairman normally assesses the performance of the Managing Director against key performance

measures on an annual basis. Because of the changes in the Executive Leadership Team over the course of FY2017, performance evaluation of Key Management Personnel has been informal, which is why the Senior Executive performance evaluation did not take place in accordance with the above processes during that period. The next evaluation of the Senior Executives is expected to be completed in accordance with the above processes in 2018.

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.

In June 2016, the Remuneration and Nomination Committee was split into the Nomination and Governance Committee and the Remuneration Committee. The Board currently has three Board Committees:

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

Nomination and Governance Committee

The Nomination and Governance Committee operates under the Nomination and Corporate Governance Committee Charter, adopted by the Board in September 2016 and published on Atlas' website. The Nomination and Governance Committee comprises Mr Eugene I Davis, Ms Cheryl Edwardes and Mr Daniel C Harris, as well as Mr Alan J Carr who joined the Committee in May 2017. Mr Eugene I Davis, an independent director, is the Chair of the Nomination and Governance Committee (in compliance with recommendation 2.1(2) in the ASX Guidelines). Details of meetings and members' attendances at the meetings are set out on page 11 of this Corporate Governance Statement.

As Ms Edwardes and Mr Harris were not considered independent directors during FY2017 (and remain non-independent directors), Atlas has departed from recommendation 2.1(a)(1) in the ASX Guidelines during FY2017. The reasoning for this departure is that Atlas considers that Mr Harris and Ms Edwardes demonstrate independent judgment and that their expertise and contribution to the Nomination and Governance Committee outweigh any potential issues that may be associated with Mr Harris and Ms Edwardes not being considered independent.

By appointing Mr Alan J Carr, an independent non-executive director, in May 2017, Atlas has taken steps to increase the representation of independent directors on the Committee. Due to the reduced size of the business, Atlas has no immediate plans to appoint new independent non-executive directors to the Board but will continually assess whether the board composition is fit for purpose.

One role of the Nomination and Governance Committee is to assist the Board in relation to the selection and appointment of members of the Board. The Nomination and Governance 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 Nomination and Governance 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 Nomination and Governance Committee will determine the key skills and experience to achieve that right balance. The Nomination and Governance 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 28 August 2017 are set out in the skills matrix below:

	Total out of 5 directors
Professional Qualifications	
Business and economics	80%
Technical*	60%
Legal	60%
Experience and Competencies	
Financial acumen	100%
Governance	100%
Strategic Leadership	100%
Mining	100%
Safety, Environment and Community	100%
Capital Projects and Infrastructure	100%
Public Policy	80%
Marketing and Asia experience	100%

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

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 15 times during the financial year. Directors' attendances at meetings and length of service are set out on page 11 of this Corporate Governance Statement.

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

- Resignation of Mr David Flanagan as Director effective 5 August 2016.
- Appointment of Mr Anthony (Tony) Walsh as Director effective 5 August 2016.
- Resignation of Mr Anthony (Tony) Walsh as Director effective 23 January 2017.
- Resignation of Mr Daniel C Harris as Managing Director effective 16 January 2017 (Mr Harris remains as non-executive Director).
- Appointment of Mr Cliff Lawrenson as Managing Director effective 16 January 2017.

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 Directors' Report.

The Board is of the view that Atlas' 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, or has been, employed in an executive capacity by Atlas or any of its related entities and there has not been a period of at least three years between ceasing such employment and serving on the board;
- is, or has within the last three years been, a partner, director or senior employee of a provider of material professional services to Atlas or any of its related entities;
- is, or has been within the last three years, in a material business relationship (eg as a supplier or customer) with Atlas or any of its related entities, or an officer of, or otherwise associated with, someone with such a relationship;
- is a substantial security holder of Atlas or an officer of, or otherwise associated with, a substantial security holder of Atlas;
- has a material contractual relationship with Atlas or its related entities other than as a director; has close family ties with any person who falls within any of the categories described above; or
- has been a director of Atlas for such a period that his or her independence may have been compromised.

In each case, Atlas assesses the materiality of the interest, position, association or relationship to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Atlas and its shareholders generally.

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 two out of the six Directors who attended meetings during the financial year are, and were throughout the entirety of their period of appointment, independent. These are Mr Eugene I Davis and Mr Alan J Carr. Neither of these Directors has an interest, position, association or relationship of the type described in the bullet points immediately above or in Box 2.3 of the ASX Guidelines.

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

- Mr Anthony (Tony) Walsh as he was an Executive Director and a member of Management;
- Ms Cheryl Edwardes is considered not to be independent as she worked as a consultant advising Atlas up to her appointment on 6 May 2015, and was previously a member of Management;

- Mr Daniel C Harris was an Executive Director from 27 June 2016 to 16 January 2017 and was a member of Management;
- Mr Cliff Lawrenson as he is an Executive Director and a member of Management.

As non-executive directors, Ms Edwardes and Mr Harris bring significant 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 Edwardes and Mr Harris not being considered independent directors.

At the date of the report, two of Atlas' five Directors are independent, which does not satisfy the recommendation 2.4 in the ASX Guidelines that the Board have a majority of independent Directors. The reasoning for this non-compliance is the reduced size of the Atlas business and the large proportion of Directors who are currently non-executive directors (80% of the Board). In light of these factors, Atlas has no immediate plans to appoint new independent non-executive directors to the Board but will continually assess whether the board composition is fit for purpose. Mr Daniel C Harris, who acted as interim Managing Director and CEO, reverted to being a non-executive Director once Mr Cliff Lawrenson was appointed by the Board on 16 January 2017.

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 during which 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 an independent Non-Executive Director, Mr Eugene I Davis, throughout the FY2017 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.

Continuing Professional Development

Additionally, the Nomination and Governance 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. The Directors of Atlas receive ongoing briefings on relevant developments in areas such as changes in law and accounting standards.

Directors' meetings and length of service

Attendance of Directors' meetings held during the 2017 financial year and the Directors' length of service are set out below:

	Directors' Meetings		Audit and Risk Committee		Remuneration Committee		Nomination & Governance Committee		Length of service
	A	B	A	B	A	B	A	B	
Eugene I Davis	15	15	-	-	1	1	1	1	1 year and 2 months
Mark Clifford Lawrenson	6	6	-	-	-	-	-	-	7 months
Alan J Carr	15	15	3	1	1	1	1	1	1 year and 2 months
Hon. Cheryl Edwardes (AM)	15	15	3	3	1	1	1	1	2 years and 2 months
Daniel C Harris	15	15	3	3	-	-	1	1	1 year and 2 months
David Flanagan ¹	1	1	-	-	-	-	-	-	12 years and 1 month
Tony Walsh ²	8	8	-	-	-	-	-	-	6 months

¹ Resigned effective 5 August 2016

² Resigned effective 23 January 2017

A - Number of meetings held during the time the Director held office during the year.

B - Number of meetings attended.

Atlas considers that the Directors have demonstrated great commitment to their Board and Committee responsibilities and have performed their duties diligently and professionally despite time zone differences and travel requirements.

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 Directors, officers, employees and contractors of each member of the Group (collectively **Personnel**) which outlines how Atlas expects the Personnel to behave and conduct business both in the workplace and with third parties.

Personnel 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 the Group, support Atlas' business reputation and corporate image within the community, and make Personnel 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 the Group. 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 Personnel. 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 the Group. Personnel must avoid situations where their personal interests could conflict with the interests of the Group. 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 a member of the Group, 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 the Group. Accordingly, Atlas' Code of Conduct outlines that Personnel must not:

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

Personnel 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 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 financial year. Directors' attendances are set out on page 11 of this Corporate Governance Statement. Throughout FY2017, the ARC has been composed of Ms Cheryl Edwardes and Messrs Alan J Carr and Daniel C Harris. All members of the ARC are currently non-executive Directors. Mr Harris and Ms Edwardes are, however, considered not to be independent directors and Atlas is therefore not in compliance with recommendation 4.1(a)(1) of the ASX Guidelines. The reasoning for them being considered non-independent is set out above in relation to Principle 2 of the ASX Guidelines.

Mr Harris is the Chair of the ARC and Atlas is therefore not in compliance with recommendation 4.1(a)(2) of the ASX Guidelines. For the period during which Mr Harris was an executive Director, Ms Edwardes acted as Chair of the ARC.

The reasoning for Atlas' departure from recommendations 4.1(a)(1) and (2) is that Atlas considers that Mr Harris and Ms Edwardes demonstrate independent judgment and that their expertise and contribution to the ARC outweigh any potential issues that may be associated with Mr Harris and Ms Edwardes not being considered independent.

All members of the ARC 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 Directors' Report.

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 and Company Secretary (who also has responsibility for Atlas' Group Risk and Compliance function), and the 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 during FY2017 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 Trevor Hart is the lead audit partner for KPMG, and was appointed following the Company's FY2015 audit.

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.

Atlas' Managing Director and the Chief Financial Officer have provided the Board with the declaration described in recommendation 4.2 of the ASX Guidelines in relation to FY2017 and for the half year ended 31 December 2016.

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 Communications Policy describes 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 and employees of Atlas and its subsidiaries. The Company Secretary reports to the Board monthly on continuous disclosure matters and Directors receive copies of all announcements immediately after notification to the ASX. All material announcements and periodic reports are sent to the Board for its review and approval. 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 security holders and is committed to communicating effectively with security holders 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 Directors 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 (**ARC**) is to oversee risk and Atlas' risk management framework. In relation to the composition and charter of the ARC, see disclosure with respect to Principle 4 of the ASX Guidelines. Details of meetings and attendances at meetings of the ARC are set out on page 11 of this Corporate Governance Statement. The full charter of the ARC is available on Atlas' website.

Atlas departs from recommendation 7.1(a)(1) in the ASX Guidelines which provides that a majority of the members of the committee should be independent directors. Mr Daniel Harris is the Chair of the ARC and Atlas is therefore not in compliance with recommendation 7.1(a)(2), as Mr Harris is not considered to be

independent. For the period during which Mr Harris was an executive Director, Ms Cheryl Edwardes acted as Chair of the ARC.

The reasoning for Atlas' departure from recommendations 7.1(a)(1) and (2) is that Atlas considers that Mr Harris and Ms Edwardes demonstrate independent judgment and that their expertise and contribution to the ARC outweigh any potential issues that may be associated with Mr Harris and Ms Edwardes not being considered independent.

The ARC endeavours to review Atlas' risk management framework annually to satisfy itself that it continues to be sound. The Committee expects that the next review will be conducted early in FY18. No review was undertaken in FY17 as Management focussed on more targeted risk assessments relating to key activities and proposals.

Atlas does not have an internal audit function. The Company has processes it employs (as described below) for evaluating and continually improving the effectiveness of its risk management and internal control processes.

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 seek 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; and
- 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 provides semi-annual 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 periodically presented to the Audit and Risk Committee, the Executive Leadership Team, and the Board.

Atlas reports annually on the key risk factors that could have a material effect on the performance of the business. The report can be found in the Directors' Report section of Atlas' Financial Report for each financial year.

Principle 8: Remunerate fairly and responsibly

One of the roles of the Remuneration Committee is to review and assist the Board in developing Atlas' remuneration, recruitment, retention and termination policies.

Throughout FY2017, the Remuneration Committee has been composed of Ms Cheryl Edwardes and Messrs Alan J Carr and Eugene I Davis. All members of the Remuneration Committee are non-executive Directors, and a majority are independent Directors, in compliance with recommendation 8.1(a)(1) of the ASX Guidelines. Mr Alan J Carr is the Chair of the Remuneration Committee in compliance with recommendation 8.1(a)(2) of the ASX Guidelines.

See the Directors' Report for further information in relation to the composition and charter of the Remuneration Committee. The full charter is available in the corporate governance section of Atlas' website. Details of meetings of the Remuneration Committee and attendances at meetings are provided on page 11 of this Corporate Governance Statement.

The Remuneration 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 may attend the meetings of the Remuneration Committee by invitation when required to report on and discuss the Executive Leadership Team 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 of the Corporations Act is provided in the Directors' Report.

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 participate in the incentive plans and no element of their remuneration is linked to the performance of Atlas. Directors' fees are the only form of remuneration for the Non-Executive Directors.

No Director received additional fees for his or her role on a Committee.

Securities Trading Policy

Atlas' Securities Trading Policy sets out the circumstances in which Atlas' Directors, senior management and other employees may buy or sell securities in Atlas. The Policy has been put in place to ensure that officers and employees do not trade in Atlas' shares if they are aware of non-public information which may have a material effect on the market price of the shares.

The Security Trading Policy prohibits 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.

Atlas' Securities Trading Policy is available in the corporate governance section of Atlas' website.

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 2017

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: <http://www.atlasiron.com.au/site/company1/Corporate-Governance>

The Corporate Governance Statement is accurate and up to date as at 28 August 2017 and has been approved by the board.

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

Date:

Name of Director or Secretary authorising
lodgement:

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, 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 http://www.atlasiron.com.au/site/company1/Corporate-Governance	
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, 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, 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, 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
<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 under Principle 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 http://www.atlasiron.com.au/site/company1/Corporate-Governance</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 on 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 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 http://www.atlasiron.com.au/site/company1/Corporate-Governance</p>	
<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 checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 1 (Lay solid foundations for management and oversight)</p>	<p>in relation to the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement 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 under Principle 1 (Lay solid foundations for management and oversight)</p>	<p>in relation to the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> an explanation why a performance evaluation did not take place in the reporting period covered by this Appendix 4G in our Corporate Governance Statement 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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 2 (Structure the board to add value). Note: Atlas does <u>not</u> comply with paragraph (1), but complies with paragraph (2). See explanation.</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at in our Nomination and Governance Committee Charter which can be found in the corporate governance area of the Atlas website at http://www.atlasiron.com.au/site/company1/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 under Principle 2 (Structure the board to add value)</p>	<p><input checked="" type="checkbox"/> an explanation as to why a majority of the members of our Nomination and Governance Committee are not independent directors in our Corporate Governance Statement under Principle 2 (Structure the board to add value)</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 2 (Structure the board to add value)</p>	
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> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 2 (Structure the board to add value)</p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 2 (Structure the board to add value)</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
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input checked="" type="checkbox"/> an explanation of why a majority of the board are not independent directors in our Corporate Governance Statement 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement 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 under 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 under Principle 3 (Act ethically and responsibly) and in the corporate governance section of our website at http://www.atlasiron.com.au/site/company1/Corporate-Governance	

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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> a copy of the Audit and Risk Committee Charter can be found in the corporate governance section of our website at: http://www.atlasiron.com.au/site/company1/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 under Principle 2 (Structure the board to add value)</p>	<p><input checked="" type="checkbox"/> an explanation of why we do not comply with paragraphs (1) and (2) in our Corporate Governance Statement under Principle 4 (Safeguard integrity in corporate reporting)</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 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 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"/> Atlas' Continuous Disclosure and Communications Policy can be found in the corporate governance section of our website at: http://www.atlasiron.com.au/site/company1/Corporate-Governance	
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"/> at www.atlasiron.com.au , generally. Information about our corporate governance can be found at: http://www.atlasiron.com.au/site/company1/Corporate-Governance	
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 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 under Principle 6 (Respect the rights 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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement 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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> our Audit and Risk Committee Charter can be found in the corporate governance section of our website at: http://www.atlasiron.com.au/site/company1/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 under Principle 2 (Structure the board to add value)</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement under Principle 4 (Safeguard integrity in financial reporting)</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 under 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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation of why a review did not take place in the reporting period covered by this Appendix 4G in our Corporate Governance Statement under 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	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.	[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: <input checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 7 (Recognise and manage risk)	
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.	... 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: <input checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 7 (Recognise and manage risk)	

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 under Principle 8 (Remunerate fairly and responsibly)</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> the Remuneration Committee Charter can be found in the corporate governance section of our website at: http://www.atlasiron.com.au/site/company1/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 under Principle 2 (Structure the board to add value) and under Principle 8 (Remunerate fairly and responsibly)</p>	
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement under Principle 8 (Remunerate fairly and responsibly)</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 under Principle 8 (Remunerate fairly and responsibly). Atlas' Securities Trading Policy can be found in the corporate governance section of our website at: http://www.atlasiron.com.au/site/company1/Corporate-Governance</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	
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>