

## Corporate Governance Statement

### ASX RECOMMENDATIONS

### COMPLIANT

### EXPLANATION

#### Principle 1: Lay solid foundations for management and oversight

##### Recommendation 1.1

Yes

A listed entity should have and disclose a board charter setting out:

- (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 Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chairperson and management and includes a description of those matters expressly reserved to the Board and those delegated to management.

A copy of the Company's Board Charter is available on the Company's website.

##### Recommendation 1.2

Yes

A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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 Board undertakes appropriate checks before appointing Directors and senior executives. These checks include education, employment and criminal history checks. A good fame and character assessment and statutory declaration is also required in respect of all Directors.

Should the Company form a Remuneration and Nomination Committee in the future, that committee will fulfil these responsibilities in accordance with the Company's Remuneration and Nomination Committee Charter. A copy of the Remuneration and Nomination Committee Charter is available on the Company's website. All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in the notice of meeting containing the resolution to elect or re-elect a Director.

##### Recommendation 1.3

Yes

A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.

The Company has written agreements with each of its Directors and senior executives (or their related entities) setting out the terms of their appointment.

Recommendation 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.

Yes

The Board Charter provides that the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

Recommendation 1.5

A listed entity should:

- (a) have and disclose a diversity policy;
- (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and
- (c) disclose in relation to each reporting period:
  - (i) the measurable objectives set for that period to achieve gender diversity;
  - (ii) the entity's progress towards achieving those objectives; and

either:

- (A) the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or
- (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.

If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.

Partially

- (a) The Company has adopted an Equality and Diversity Policy which is available on the Company's website.

The Equality and Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to continually monitor both the objectives that have been set and the Company's progress in achieving them.

The Board does not presently intend to set measurable gender diversity objectives because:

- (i) the Board does not anticipate there will be a need to appoint any new Directors or senior executives due to the limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans;
- (ii) if it becomes necessary to appoint any new Directors and/or senior executives, the Board will consider whether, given the small size of the Company and the Board, requiring specified objectives to be met will unduly limit the Company from applying the Equality and Diversity Policy as a whole and the Company's policy of appointing the best person for the job; and
- (iii) the respective proportions of men and women on the Board, in senior executive positions and across the workforce (including how the Company defines "senior executive" for these purposes) for each financial year will be disclosed in the Company's Annual Report.

Recommendation 1.6

A listed entity should: Yes

(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and

(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

(a) The Board is responsible for the development and implementation of a process for evaluating the performance of the Board, its committees (if any) and individual Directors on an annual basis. It may do so with the aid of an independent advisor. This process is set out in the Company's Remuneration and Nomination Committee Charter (which applies to the Remuneration and Nomination Committee or, in its absence, the Board).

(b) The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process, and will disclose whether a performance evaluation has been undertaken in the Company's Annual Report.

Recommendation 1.7 Yes

A listed entity should:

(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and

(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

(a) The Company's process for evaluating the performance of its senior executives is set out in the Board Charter.

(b) The Company intends to complete a performance evaluation of each senior executive each financial year in accordance with that process, and will disclose whether a performance evaluation has been undertaken in the Company's Annual Report.

**Principle 2: Structure the Board to be effective and add value**

Recommendation 2.1 Partially

The Board of a listed entity should:

(a) have a nomination committee which:

(1) has at least three members, a majority of whom are independent Directors; and

(a) The Company does not currently have a nomination committee. However, the Board has adopted a Remuneration and Nomination Committee Charter to govern a Remuneration and Nomination Committee should it determine that one is of benefit in the future and, in the meantime, to direct the actions of the full Board.

(2) is chaired by an independent Director,

and disclose:

(3) the charter of the committee;

(4) the members of the committee; and

(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a nomination committee, disclose 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.

(b) The Company does not have a nomination committee as the Board considers that it would not benefit from the establishment of such a committee at this point in time given the size of the Board and the stage of the Company's development. The full Board carries out the duties that would ordinarily be carried out by the Remuneration and Nomination Committee under the Remuneration and Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:

(i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and

(ii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.

Recommendation 2.2

A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.

Yes

The Company has a Board skill matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership. A copy is available on the Company's website and will also be made available in the Company's Annual Report.

In addition, the Board Charter requires the disclosure of each Board member's qualifications and expertise. Details as to each Director and senior executive's relevant skills and experience will be made available in the Company's Annual Report. This information is also available on the Company's website.

Recommendation 2.3

Yes

(a) The Board considers Paul Ingram to be an

A listed entity should disclose:

- (a) the names of the Directors considered by the Board to be independent Directors
- (b) if a director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position or relationship in question and an explanation of why the Board is of that opinion; and
- (c) the length of service of each Director.

independent director.

- (b) If a Director has an interest, position or relationship of the type described in Box 2.3 of the ASX Recommendations but the Board is of the opinion that it does not compromise the independence of the Director, then the Company will disclose in its Annual Report the nature of the interest, position or relationship in question and an explanation of the Board's opinion as to why the relevant Director is still considered to be independent.
- (c) The Directors were appointed on the following dates:
  - (i) Dr Phillip Wing – 9 April 2018
  - (ii) Mr Maxwell James Green – 9 April 2018
  - (iii) Mr Paul Ingram – 28 January 2021
  - (iv) Mr William Howe – 1 February 2021

The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.

Recommendation 2.4

A majority of the Board of a listed entity should be independent Directors.

No

The Board currently comprises a total of four (4) directors, of whom (1) is considered to be independent. As such, independent directors currently do not comprise the majority of the Board.

The Board does not currently consider an independent majority of the Board to be appropriate given the speculative nature of the Company's business, and its limited scale of activities, means the Company needs, and can only commercially sustain, a small Board of four (4) Directors and no senior executives other than the CEO and the CFO/Company Secretary;

The Board has taken the following steps to structure the Board

to add value despite not having an independent majority of Directors:

- (a) to assist Directors with independent judgement, Directors are entitled to obtain independent professional advice to properly discharge the responsibility of their office. Provided the relevant Director first obtains approval for incurring such expense from the Chairman, the Company will pay the reasonable expenses associated with obtaining such advice.
- (b) Directors are required to disclose relevant personal interest and conflicts of interest on an ongoing basis which may in turn trigger a review of a Director's independent status.

A determination with respect to independence is made by the Board on an annual basis.

Recommendation 2.5

The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.

No

The Chairman of the Company is not an independent Director and is not the Managing Director/CEO.

The Board does not have an independent Chairman because this was not considered feasible due to the Company's current size and Board structure.

Recommendation 2.6

A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.

Yes

The Company's Board Charter sets out its program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.

**Principle 3: Instill a culture of acting lawfully, ethically and responsibly**

Recommendation 3.1 Yes

A listed entity should articulate and disclose its values.

The Company's values are set out in its Code of Conduct which is available on the Company's website.

Recommendation 3.2 Yes

A listed entity should:

- (a) have and disclose a code of conduct for its Directors, senior executives and employees; and
- (b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.

- (a) The Company's Code of Conduct (which is available on the Company's website) applies to the Company's Directors, senior executives and employees.
- (b) The Company's Code of Conduct requires that any material breaches (or likely breaches) of the Code are reported to the Company Secretary, who must report them to the Board.

Recommendation 3.3 Yes

A listed entity should:

- (a) have and disclose a whistleblower policy; and
- (b) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.

- (a) The Company has adopted a Whistleblower Policy, which is available on the Company's website.
- (b) Any material incidents reported under the Whistleblower Policy are required to be reported to the Board (or a committee of the Board).

Recommendation 3.4 Yes

A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and
- (b) ensure that the Board or committee of the Board is

- (a) The Company has adopted an Anti-Bribery and Corruption Policy, which is available on the Company's website.
- (b) Any material breaches of the Anti- Bribery and Corruption Policy are required to be reported to the Board (or a committee of the Board).

informed of any material breaches of that policy.

#### **Principle 4: Safeguard the integrity of corporate reports**

##### Recommendation 4.1

Partially

The Board of a listed entity should:

(a) have an audit committee which:

- (1) has at least 3 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 attendance 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 an external auditor and the rotation of the audit engagement partner.

- (a) The Company does not currently have an audit committee. However, the Board has adopted an Audit and Risk Committee Charter to govern an Audit and Risk Committee should it determine that one is of benefit in the future and, in the meantime, to direct the actions of the full Board
- (b) The Company does not currently have an audit committee as the Board considers that it would not benefit from the establishment of such a committee at this point in time given the size of the Board and the Company's stage of development. The full Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to independently verify the integrity of the Company's periodic reports which are not audited or reviewed by an external auditor, as well as the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:
  - (1) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and
  - (2) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.

Recommendation 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 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.

Yes

The Company's Audit and Risk Committee Charter (which the full Board complies with) requires each of the Managing Director/CEO and the CFO to provide to a declaration to the Board that the Company's financial records have been properly maintained and the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively, before the Board approves the Company's financial statements.

Recommendation 4.3

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

Yes

To the extent that the information contained in the following is not audited or reviewed by an external auditor, the Company will include in each of its:

- (a) annual reports or on its website, a description of the process it undertakes to verify the integrity of the information in its annual directors' report;
- (b) quarterly reports, or in its annual report or on its website, a description of the process it undertakes to verify the integrity of the information in its quarterly reports;
- (c) integrated reports, or in its annual report (if that is a separate document to its integrated report) or on its website, a description of the process it undertakes to verify the integrity of the information in its integrated reports; and
- (d) periodic corporate reports or in its annual report or on its website, a description of the process it undertakes to verify the integrity of the information in these reports.

### **Principle 5: Make timely and balanced disclosure**

Recommendation 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	The Company has adopted a Market Disclosure policy, which is available on the Company's website.
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	Under the Company's Market Disclosure Policy all members of the Board will receive material market announcements promptly after they have been made.
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Yes	All substantive investor or analyst presentations will be released by the Company on the ASX Markets Announcement Platform ahead of such presentations.

### **Principle 6: Respect the rights of security holders**

Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its governance practices is available on the Company's website under the banner 'Corporate Governance'.
Recommendation 6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company has a Shareholder Communications Policy which aims to promote and facilitate effective two way communication with investors. The policy, which is available on the Company's website, outlines a range of ways in which information is communicated to shareholders.

Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

Yes

Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary will send out material stating that all Shareholders are encouraged to participate at the meeting.

Recommendation 6.4

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

All substantive resolutions at securityholder meetings will be decided by a poll rather than a show of hands.

Recommendation 6.5

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Yes

The Shareholder Communication Policy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.

**Principle 7: Recognise and manage risk**

Recommendation 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 3 members, all of whom are non-executive directors and a majority of whom are

Partially

The Company does not currently have a risk committee. However, the Board has adopted an Audit and Risk Committee Charter to govern an Audit and Risk Committee should it determine that one is of benefit in the future and, in the meantime, to direct the actions of the full Board

(a) The Company does not have an Audit and Risk Committee as the Board considers that it would not benefit from the establishment of such a committee at

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 attendance 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.

this point in time given the size of the Board and the Company's stage of development. The full Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to oversee the entity's risk management framework:

- (1) the Board devotes time at quarterly Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures; and
- (2) the engagement of external, third party experts and advisers where required to ensure the Company's risk management framework is upheld.

Recommendation 7.2

Yes

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 that the entity is operating with due regard to the risk appetite set by the Board; and
- (b) disclose in relation to each reporting period, whether such a review has taken place.

- (a) The Company has adopted an Audit and Risk Committee Charter that requires the Audit and Risk Committee (or, in its absence, the Board) to, at least annually, satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.
- (b) The Company will disclose whether a review of its risk management framework has occurred in the Company's Annual Report..

Recommendation 7.3

Partially

A listed entity should disclose:

- (a) if it has an internal audit function, how the function is

- a) The Company does not currently have an internal audit function as the Board is of the view that the processes it employs pursuant to the Audit and Risk Committee Charter are sufficient for evaluating and continually improving the effectiveness of its risk management and internal control processes given the size and complexity

- 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 governance, risk management and internal control processes.

of the Company's current business.

- b) The processes employed for evaluating and continually improving the effectiveness of the Company's governance, risk management and internal control processes are detailed in the Audit and Risk Committee Charter, which is on the Company's website.

Recommendation 7.4

Yes

A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the full Board) to assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks.

The Company will disclose this information in its Annual Report and, where relevant, in a market announcement as part of its continuous disclosure obligations.

**Principle 8: Remunerate fairly and responsibly**

Recommendation 8.1

Partly

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;

(a) The Company does not currently have a remuneration committee. However, the Board has adopted a Remuneration and Nomination Committee Charter to govern a Remuneration and Nomination Committee should the Board determine that one is of benefit in the future and, in the interim, to direct the action of the full Board.

(b) The Company does not currently have a remuneration committee as the Board considers that it would not benefit from the establishment of such a committee at this point in time given the size of the Board and the stage of the Company's development. The full Board carries out the duties that would ordinarily be carried out by the Remuneration and Nomination Committee under the

- (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 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.

Remuneration and Nomination Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive:

- (1) devotes time at least annually to assess the level and composition of remuneration for Directors and senior executives;
- (2) the engagement of external advisers, if required, to ensure remuneration for Directors and senior executives is commensurate with the industry in which the Company operates, having regard to the Company's size and operations.

Recommendation 8.2

Yes

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.

The Company has adopted a Remuneration Policy for Directors and Senior Executives which addresses its policies and practices in respect to the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives. This policy is available on the Company's website..

Recommendation 8.3

Not applicable

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.

The Company does not currently have an equity-based remuneration scheme.

**Additional recommendations that apply only in certain cases**

Recommendation 9.1

Not applicable

A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.

Recommendation 9.2

Not applicable

A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.

Recommendation 9.3

Not applicable

A listed entity established outside Australia and an externally managed 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.