

2018 Corporate Governance Statement

The Board of Celamin Holdings Limited (the **Company or Group**) is responsible for the overall corporate governance of the Group. The Board believes that good corporate governance helps ensure the future success of the Company, adds value to stakeholders and enhances investor confidence.

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the recommendations of the ASX Corporate Governance Council (**Recommendations**) during the reporting period. The Recommendations are not prescriptive, such that if a company considers a recommendation to be inappropriate having regard to its own circumstances, it has the flexibility not to follow it. Where a company has not followed all the Recommendations, it must identify which Recommendations have not been followed and provide reasons for this.

This Corporate Governance Statement (**Statement**) discloses the extent to which the Company has followed the Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation. This Statement should be read in conjunction with the material on our website www.celaminnl.com.au, including the 2018 Annual Report.

This Statement is current as at 30 June 2018 and has been approved by the Board of Directors of Celamin Holdings Limited.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 - Role of the Board and Management

The role of the Board is to provide overall strategic guidance and effective oversight of management.

The Board has a formal Board Charter which is available on our website at www.celaminnl.com.au.

The Board Charter sets out the specific responsibilities of the Board, structure, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, details of the Board's relationship with management, the role of the Chief Executive Officer (**CEO**), details of the Board's performance review and continuous disclosure requirements.

The Board delegates authority to the CEO to manage the day to day affairs of the Company, subject to those responsibilities reserved to the Board included in the Board Charter. The CEO is responsible for the implementation of strategic objectives, plans and budgets in accordance with the directions of the Board.

Recommendation 1.2: Appointment of Directors

The Company has guidelines for the appointment and selection of Directors which require the Board to undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election, as a Director. The process is included in the Board Charter which is available on our website at www.celaminnl.com.au.

We provide our shareholders with all material information relevant to make a decision on whether or not to elect or re-elect a Director. The information will be provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.

Recommendation 1.3: Appointment Terms

Each Director and senior executive is party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. Details of executive contracts in place are included in the Company's Annual Remuneration Report in the 2018 Annual Report.

Recommendation 1.4: Company Secretary

The Board is supported by the Company Secretary, whose role includes supporting the Board on governance matters, assisting the Board with meetings and directors' duties, and acting as an interface between the Board and senior executives across the Group. The Board and individual Directors have access to the Company Secretary.

Under the Company's governance framework, the Company Secretary is accountable to the Board, through the Chair, on all matters regarding the proper functioning of the Board. The Board is responsible for the appointment of the Company Secretary.

Details regarding our Company Secretary, including experience and qualifications, is set out in the Directors' Report in our 2018 Annual Report.

Recommendation 1.5: Diversity Policy

The workforce of the Company comprises individuals with diverse skills, backgrounds, perspectives and experiences and this diversity is valued and respected. The Company recognises the strategic and personal advantages that arise from a workplace where decisions are based on merit and where all employees are treated equally.

The Diversity Policy is available on the Company's website at www.celaminnl.com.au.

The proportion of women on the Board, in senior executive positions and women across the entire organisation as at 30 June 2018 was as follows:

- Women on the Board – 25%
- Women in senior executive positions – 40%
- Women across the entire organisation – 25%

Due to the current size and composition of the organisation the Board does not consider it appropriate to provide measurable objectives in relation to gender. The Company is committed to ensuring that the appropriate mix of skills, expertise, and diversity are considered when employing staff at all levels of the organisation and when making new senior executive and Board appointments and is satisfied that the composition of employees, senior executives and members of the Board is appropriate.

Recommendation 1.6: Board Performance Assessment

The Board is committed to formally evaluating its performance, the performance of any Committees and individual Directors, as well as the governance processes supporting the Board. The Board will complete this through an annual assessment process.

The review process will involve:

- completion of a questionnaire/survey by each director, facilitated by the Company Secretary;

- the preparation and provision of a report to each director with feedback on the performance of the Board based on the survey results; and
- The Board meeting to discuss any areas and actions for improvement.

A formal performance evaluation was not undertaken during the period to June 2018. This is partially due to the Company completing the re-instatement process to the ASX official list. The Board intends on completing a formal performance evaluation in FY19. Although no formal performance review was undertaken during the period to June 2018, the Board meet regularly and informally assess its performance on an ongoing basis.

Recommendation 1.7: Senior Executive Performance Assessment

Senior Executives are appointed by the Board and their Key Performance Indicators (KPI's) contain specific financial and non-financial objectives. These KPI's are reviewed annually by the Board. The performance of each Senior Executive against these objectives is evaluated annually.

No formal performance evaluation of Senior Executives took place during the period to June 2018, partly due to the Company completing the re-instatement process to the ASX official list and the appointment of a new Chief Executive Officer in July 2018. The Board intends on completing a formal performance evaluation in FY19.

PRINCIPLE 2 – BOARD STRUCTURE

Recommendation 2.1: Nomination Committee

Due to the current size of the Company and the Board, the Board fulfils the roles and responsibilities in relation to nominations. The duties of the Board in relation to nomination are the same that would otherwise be fulfilled by a Nomination Committee to address any issues and continuously review the range of skills, knowledge, experience, independence and diversity to ensure that the Board can discharge its duties and responsibilities effectively.

Recommendation 2.2: Board Skills Matrix

The Company seeks to maintain a Board of Directors with a broad range of skills, experience and knowledge relevant to overseeing the business of a junior exploration Company. Given the size of the Board, a formal board skills matrix has not been adopted. However, the current Board of Directors bring an expansive range of relevant industry experience, legal and other skills and experience in order to meet the Company's objectives.

Full details of each Directors' relevant skills and experience are set out in the 2018 Directors' Report.

Recommendation 2.3: Independent Directors

An independent director is a Non-Executive Director who is not a member of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement.

The Board regularly assesses the independence of each Non-Executive Director in light of the information which each Director is required to disclose in relation to any material contract or other relationship with the Company in accordance with the director's terms of appointment, the Corporations Act 2001, and the Board Charter.

When appointing an independent Director or reviewing the independence of its Directors, the Board will have regard to the definition of independent Director and the factors set out in the Recommendations, in particular the factors relevant to assessing the independence of a director set out in Recommendation 2.3.

The Board has two independent Directors, Martin Broome (Non-Executive Chairman) and Sue-Ann Higgins (Non-Executive Director).

Nic Clift is not considered to be independent on the basis that he has been engaged in an executive management role with the Company in the last three years. Tim Markwell is also not considered to be independent on the basis that he was acting as Chief Executive Officer of the Company during the period to 30 June 2018.

The Board considers the Non-Executive directors to be independent having regard to the indicia in Box 2.3 in the ASX Recommendations. The Board has considered the holdings of shares in the Company by these Non-Executive directors and is of the opinion that their respective interests in shares would not materially interfere with, or could be reasonably perceived to interfere with, the independent exercise of their judgement in their position as a Director. The Board also considers that they are otherwise free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of their judgement, and that each of these Directors is able to fulfil the role of independent Director for the purposes of the ASX Recommendations.

The Board's assessment of each current Director is set out below.

Name	Position	Appointment date	Status
Martin Broome	Non-Executive Chairman	20 February 2012	Independent
Sue-Ann Higgins	Non-Executive Director	18 September 2015	Independent
Nic Clift	Non-Executive Director	13 October 2014	Non-Independent
Tim Markwell	Non-Executive Director	2 February 2015	Non-Independent

Recommendation 2.4: Majority Independence

As at the date of this Statement, two of our four Directors are deemed independent. The Company does not have a majority of independent directors.

The Board recognises that it is desirable for the majority of the Board to be independent Directors, the Company's current size dictates that this is the most efficient mode of operation at the current time. The Board will review the appointment of further Independent Directors should the Company's size and growth warrant this.

Further information regarding our Directors, including their experience and qualifications, is set out in the Directors' Report of our 2018 Annual Report.

Recommendation 2.5: Board Chair

The Chair, Martin Broome was appointed to the position on 20 February 2012 and is considered an independent Director. The Chair provides leadership to the Board in relation to all Board matters and is responsible for ensuring that the Board meets its responsibilities under the Board Charter. His role is set out in more detail in the Board Charter.

The roles of Chair and CEO are currently exercised by different individuals, being Martin Broome and Simon Eley, respectively.

Recommendation 2.6: Induction, Education and Training

New Directors are provided with copies of all relevant documents and policies governing the Company's business, operations and management, at the time of joining the Board. All Directors are provided with ongoing

professional development and training opportunities to enable them to develop and maintain their skills and knowledge. Directors are also encouraged to personally undertake appropriate training and refresher courses as appropriate to maintain the skills required to discharge their obligations to the Company.

PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1: Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a Corporate Code of Conduct designed to ensure that:

- High standards of corporate and individual behaviour are observed by all Employees in the context of their employment or engagement with the Group;
- Employees are aware of their responsibilities to the Group under their contract of employment and always act in an ethical and professional manner; and
- All person dealing with the Group, whether it be employees, shareholders, suppliers, customers of competitors, can be guided by the stated values and practices of the Group.

The Corporate Code of Conduct can be found on our website at www.celaminnl.com.au.

The Corporate Code of Conduct sets out the Company's policies on various matters including ethical conduct, business conduct, compliance, privacy and security of information

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1: Audit Committee

Due to the current size of the Company and the Board, the Board fulfils the roles and responsibilities in relation to audit. The duties of the Board in relation to audit are the same that would otherwise be fulfilled by an Audit Committee, including overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit.

Recommendation 4.2: Assurances

The CEO and Company Secretary provide an annual declaration to the Board prior to the Board's approval of the Company's full year financial results. This process was followed for the 2018 full year financial results, where the CEO and Company Secretary provided a declaration to the Board that, in their opinion, the financial records 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 Group, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. On this basis, the 2018 full year financial results were approved by the Board.

Recommendation 4.3: External Auditor

Our external auditor, Grant Thornton Audit Pty Ltd (**Grant Thornton**) attends our AGM and a representative is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Grant Thornton's independence declaration is contained in the Directors' Report in our 2018 Annual Report.

The effectiveness, performance and independence of the external auditor is reviewed annually by the Board.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1: Continuous Disclosure Policy

We are committed to providing information to shareholders and to the market in a manner that is consistent with the meaning and intention of the ASX Listing Rules and the Corporations Act.

To comply with these obligations, the Board has adopted a Continuous Disclosure Policy (**Policy**), which is available on our website at www.celaminnl.com.au.

The Board has overarching responsibility for compliance with continuous disclosure obligations.

The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market and in compliance with our Securities Trading Policy. In accordance with continuous disclosure obligations under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management and disclosed to the ASX in a timely manner. The Company website includes a link to all information disclosed to the ASX.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1: Information and Governance

Information about the Company and its corporate governance policies is available on our website at www.celaminnl.com.au.

The Company also maintains a separate investor page on our website to provide shareholders with links to ASX announcements and presentations.

Recommendation 6.2: Investor Relations

We endeavour to communicate with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions.

Recommendation 6.3: Shareholder Meeting Participation

Shareholders are forwarded the Company's Annual Report, if requested (it is otherwise made available on the Company's website), and documents relating to each general meeting, being the notice of meeting, any explanatory memorandum and a proxy form and shareholders are invited to attend these meetings.

The Board regards each general meeting as an important opportunity to communicate with shareholders and it provides a key forum for shareholders to ask questions about the Company, its strategy and performance. At shareholder meetings, the Company will provide an opportunity for shareholders and other stakeholders to hear from and put questions to the Board, management and if applicable our external auditor.

Recommendation 6.4: Electronic Communication with Shareholders

The Company's Share registry, Advanced Share Registry Limited, gives security holders the option to receive send communications electronically.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Recommendation 7.1: Risk Committee

Due to the current size of the Company and the Board, the Board fulfils the roles and responsibilities in relation to risk. The duties of the Board in relation to risk are the same that would otherwise be fulfilled by a Risk Committee, including ensuring that the Company has an appropriate risk management framework and associated internal compliance and control procedures.

Recommendation 7.2: Risk Management Framework

The Group's risk management framework is supported by the Board of directors and management team. The Board is responsible for approving and reviewing the Company's risk management framework. Management are responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk.

The Board continually monitors the Company's risk management framework.

Recommendation 7.3: Internal Audit

The Company did not have an internal audit function for the past financial year. Due to the size of the Company, the Board does not consider it necessary to have an internal audit function.

The Board monitors the need for an internal audit function having regard to the size, location and complexity of the Company's operations. The Board will periodically conduct an internal review of financial systems and recommended processes and systems are developed where they are considered to require improvement.

Recommendation 7.4: Economic, Environmental and Social Sustainability Risk

The Company considers that it does not currently have any material exposure to economic, environmental and social sustainability risks.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBILITY

Recommendation 8.1: Remuneration Committee

Due to the current size of the Company and the Board, the Board fulfils the roles and responsibilities in relation to remuneration. The duties of the Board in relation to remuneration are the same that would otherwise be fulfilled by a Remuneration Committee, including setting the level of Non-Executive Director fees and the level and nature of remuneration for Executive Directors and other Senior Executives of the Company.

Recommendation 8.2: Remuneration Policies and Practices

Details of the Company's remuneration practices for its Directors and senior executives are disclosed in the Remuneration Report in the Company's Annual Report.

Separate disclosure regarding the remuneration of the Company's directors (executive and non-executive) is disclosed in the Company's Annual report, as lodged with the ASX and issued to shareholders.

Recommendation 8.3: Equity Based Remuneration Scheme

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