



CORPORATE GOVERNANCE STATEMENT – 2018

This Statement is current as at 28 September 2018 and has been approved by the Board of Renascor Resources Limited

Corporate Governance Statement

The board of directors (the “Board”) of Renascor Resources Limited (“Renascor” or the “Company”) is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of its shareholders by whom they are elected and to whom they are accountable. The Company believes that good corporate governance enhances investor confidence and adds value to stakeholders.

The Company’s Corporate Governance Statement (“Statement”) is structured with reference to the Australian Securities Exchange (“ASX”) Corporate Governance Council’s (the “Council”) “Corporate Governance Principles and Recommendations, 3rd Edition” (“Recommendations”) and sets out a description of the Company’s main corporate practices and provides details of the Company’s compliance with the Recommendations, or where appropriate provides an explanation of a departure from the Recommendations.

This statement is current as at 28 September 2018 and has been approved by the Company’s Board:

Principle 1: Lay solid foundations for management and oversight

Recommendation detail	Comply Yes/No
1.1 A listed entity should disclose: <ul style="list-style-type: none"> 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. 	Yes
1.2 A listed entity should: <ul style="list-style-type: none"> a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. 	Yes
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes
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
1.5 A listed entity should: <ul style="list-style-type: none"> 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 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: <ul style="list-style-type: none"> 1. the respective proportions of men and women on the board, in senior executive positions and across the whole organization (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. 	No
1.6 A listed entity should: <ul style="list-style-type: none"> a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 	Yes
1.7 A listed entity should: <ul style="list-style-type: none"> a) have and disclose a process for periodically evaluating the performance of its senior executives; and b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 	Yes

Principle 1: Commentary

The Board has adopted a formal Board Charter that outlines the roles and responsibilities of directors and senior executives. The Corporate Governance Charter is publicly available on the Company website, www.renascor.com.au/corporate-governance/.

Principle 1: Commentary (continued)

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the 2018 Annual Report to Shareholders is included in the Director's Report section on pages 13 - 14. The Board's primary responsibility is to oversee the Company's business activities and management for the benefit of all shareholders as follows:

- setting and monitoring organisational performance and the achievement of the Company's strategic goals and objectives;
- reviewing and approving corporate strategies, the annual budget and financial plans;
- establishing corporate governance and ethical business standards;
- monitoring financial performance and liaising with the Company's external auditor;
- appointing and assessing the performance of the Managing Director (or equivalent), and overseeing succession plans for senior executives;
- reviewing and monitoring the systems of risk management and internal control, codes of conduct and legal compliance;
- ensuring the composition of the Board is appropriate, selecting directors for appointment to the Board and reviewing the performance of the Board and the contributions of individual directors; and
- reporting to and communicating with shareholders.

The Company seeks to have a board comprising directors with an appropriate variety of skill, experience and expertise who are competent in dealing with current and emerging issues of the business and who can effectively review and challenge the performance of management and exercise independent judgement. Prior to the appointment of a person, or putting forward to security holders a candidate for election, as a director, the Company undertakes checks which it believes are appropriate to verify a director's character, experience, education, criminal record and bankruptcy history.

Non-executive directors have a written agreement with the Company setting out the terms of their appointment as directors. Executive directors have employment contracts and senior executives are employed under written contractual arrangements.

The Board meets on a regular basis. The agenda for these meetings is prepared by the Company Secretary in conjunction with the Managing Director. Relevant information is circulated to directors in advance of Board meetings. The Company Secretary is accountable directly to the Board on matters to do with the proper functioning of the Board.

The Board has an established diversity policy which is publicly available on the Company website, www.renascor.com.au/corporate-governance/. Given the size of the Company, the nature of the employment structure and the limited number of Board and senior executive positions available, the Company does not believe that it is practical or efficient to establish measurable objectives at this time and as and when circumstances warrant, the Board will take into consideration, diversity, as one of the criteria in formulating decisions. Whilst the Company believes that the current non-compliance with this recommendation will not be detrimental to the Company, it also recognises that a talented, skilful and diverse workforce will be an important factor to the Company's future success as the Company strives to reach the requisite corporate and commercial maturity. A summary of the proportions of men and women on the board, in senior executive positions and across the whole organization is shown below:

Year Ended 30 June 2018

	Males		Females		Total	
	Number	P'Ctage	Number	P'Ctage	Number	P'Ctage
Board (Non Executive)	3	100%	0	0%	3	100%
Executives and Senior management *	3	100%	0	0%	3	100%
Technical and Administrative #	3	75%	1	25%	4	100%
TOTAL	9	90%	1	10%	10	100%

* Includes executive directors and Company secretary.

Includes part-time employee and contract personnel.

There is no formal evaluation of the performance of the Board. Members of the Board have been brought together to provide a blend of qualifications, skills and national and international experience required for managing a company operating within the mining industry. Due to the size and structure of the Company, the Board of directors has managed Board performance at Board meetings held during the year. The Board will consider the establishment of a formal evaluation process of performance for all directors during the current reporting period.

The performance of senior executives is evaluated by the disinterested non-executive directors periodically and performance review has been undertaken.

Principle 2: Structure the board to add value

Recommendation detail	Comply Yes/No
2.1 The board of a listed entity should: <ul style="list-style-type: none"> a) have a nomination committee which: <ul 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: <ul 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) those matters expressly reserved to the board and those delegated to management. 	No
2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	No
2.3 A listed entity should disclose: <ul 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 	Yes
2.4 A majority of the board of a listed entity should be independent directors.	No
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
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.	Yes

Principle 2: Commentary

The Board's view is that the Company is not currently of the size to justify the formation of a separate nomination committee. The Board currently performs the functions of a nomination committee and where necessary may seek advice of external advisors in relation to this role. The Board shall, upon the Company reaching the requisite corporate and commercial maturity, consider the constitution of a nomination committee to assist the Board in relation to the appointment of directors and senior management.

Members of the Board have been brought together to provide a blend of qualifications, skills and national and international experience required for managing a company operating within the mining industry and periodically reviews balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. The skills, experience and expertise relevant to the position of director held by each director in office is included Director's Report component of the 2018 Annual Report to Shareholders on pages 13 - 14. In view of the above the Company does not currently have a skills and diversity matrix in relation to the Board members. Whilst the Company believes that the current non-compliance with this recommendation is not detrimental to the Company, the Board will consider the establishment of a skills matrix during the current reporting period.

The Corporate Governance Council defines an independent director as a director who is not a member of management and who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity and its security holders generally.

In the context of director independence "materiality" is considered from both the Company and the individual director's perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal or less than 5% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 5% of the appropriate base amount. Qualitative factors considered included whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the director in question to shape the direction of the Company's loyalty.

Factors that may impact on a director's independence are considered each time the Board meets.

Principle 2: Commentary (continued)

In accordance with the Council's definition of independence outlined above, and the materiality thresholds set, no directors are considered to be independent as outlined below:

Name	Position	Reason for non-compliance
David Christensen	Managing Director	Mr Christensen is Managing Director and has business dealings with the Company as disclosed in note 23 to the financial statements and as such does not meet the independence requirement as defined in the ASX guidelines.
Richard Keevers	Non-Executive Chairman	Mr Keevers is a Non-Executive Director and has business dealings with the Company as disclosed in note 23 to the financial statements. Together with his associated entities, he is a substantial (greater than 5%) shareholder in the Company and as such does not meet the independence requirement as defined in the ASX guidelines.
Stephen Bizzell	Non-Executive Director	Mr Bizzell is a Non-Executive Director and a member of the Audit and Risk Management Committee. Mr Bizzell has business dealings with the Company as disclosed in note 23 to the financial statements and as such does not meet the independence requirement as defined in the ASX guidelines.
Geoffrey McConachy	Executive Director	Mr McConachy is an Executive Director and has business dealings with the Group as disclosed in note 23 to the financial statements and as such does not meet the independence requirement as defined in the ASX guidelines.
Chris Anderson	Non-Executive Director	Mr Anderson is a Non-Executive Director and has business dealings with the Company as disclosed in note 23 to the financial statements and as such does not meet the independence requirement as defined in the ASX guidelines.

The Company considers industry experience and specific expertise, as well as general corporate experience, to be important attributes of its Board members. The directors noted above have been appointed to the Board of the Company due to their considerable industry and corporate experience. Detail of any business dealings with the company is disclosed and tabled at each Board meeting and are reviewed to ensure that all terms of any dealings are at arm's length. The review and authorisation for such business dealings are handled by non-conflicting directors and or management.

At the date of the 2018 Annual Report:

The term in office held by each director in office is as follows:

Name	Term in office
David Christensen	9 years 6 months
Stephen Bizzell	8 years
Geoffrey McConachy	8 years
Chris Anderson	6 years 7 months
Richard Keevers	2 years 1 month

Non-executive directors have a written agreement with the Company setting out the terms of their appointment as directors and also outline the director's duties and responsibilities. The two executive directors have employment contracts. There are procedures in place, agreed by the Board, to enable directors, in furtherance of their duties, to seek independent professional advice at the Company's expense, if required.

Principle 3: Act ethically and responsibly

Recommendation detail	Comply Yes/No
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.	Yes

Principle 3: Commentary

As part of the Board's commitment to maintaining a proper system of corporate governance, the Company has adopted a Code of Conduct to guide directors, officers and employees in carrying out their duties and responsibilities. The Code of Conduct outlines the obligations incumbent upon each director, officer and employee, including compliance with all corporate governance practices and documents approved by the Board from time to time. The Code of Conduct also encourages the reporting of any unlawful or unethical behaviour. The Code of Conduct is included as part of the Corporate Governance Charter (Section A5) on the Company's website, www.renascor.com.au/corporate-governance/.

The Code's objective is to provide a benchmark for professional and personal behavior throughout the Company, to safeguard the Company and the dealings carried out on behalf of the Company. The Code deals with many ethical issues, including the importance of:

- a safe and harassment-free workplace;
- good corporate citizenship and compliance with laws;
- professional integrity (including avoiding conflicts of interest); and
- protection of the Group's reputation, assets, resources, information and records.

Principle 4: Safeguard integrity in corporate reporting

Recommendation detail	Comply Yes/No
4.1 The board of a listed entity should: <ol style="list-style-type: none"> a) have an audit 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, 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 	No
4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes
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.	Yes

Principle 4: Commentary

The Company has an Audit and Risk Committee comprising two non-executive directors, Mr Bizzell (Chair) and Mr Keevers together with one executive director, Mr McConachy. The skills, experience and expertise relevant to the members of the audit committee are included Director's Report component of the 2018 Annual Report to Shareholders on pages 13 - 14 for each director that is a member of the audit committee as at the date of the Annual Report. The Audit and Risk Committee Charter is available on the Company's website, www.renascor.com.au/corporate-governance/ which is included as part of the Corporate Governance Charter (Section C) and sets out the role of the Committee and includes assisting the Board in overseeing the corporate reporting process efficiently and effectively. The number of meetings held and the individual attendances of Committee members at those meetings are disclosed in the Director's Report component of the 2018 Annual Report to Shareholders on page 15.

The Audit and Risk Committee currently consists of three members, however, the Company is of the view that that the Audit and Risk Management Committee does not consist of a majority of independent directors in accordance with the Council's definition of independence outlined and the materiality thresholds set, and accordingly does not meet the requirements of Recommendation 4.1. While the Company does not presently comply with this Recommendation 4.1, the Company may consider appointing further independent directors in the future. The Company believes that given the size and scale of its operations, non-compliance by the Company with this Recommendation 4.1 will not be detrimental to the Company. The Board is satisfied that its present Committee structure is appropriate for the current status of the Company's size and structure.

Principle 4: Commentary (continued)

Prior to approval of the Company's financial statements, the Board obtains a declaration from its Managing Director and Chief Financial Officer that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with 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.

The Company's external auditor attends every Annual General Meeting and members are provided with reasonable opportunity at the Annual general Meeting to ask the auditor questions relevant to the audit, their report and independence, and the accounting policies adopted by the Company.

Principle 5: Make timely and balanced disclosure

Recommendation detail	Comply Yes/No
5.1 A listed entity should: <ul style="list-style-type: none"> 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. 	Yes

Principle 5: Commentary

Detailed compliance procedures for ASX Listing Rule disclosure requirements have been adopted by the Company. The Company's Obligation of Disclosure Policy can be found within the Company's Corporate Governance Charter (Section G8) on the Company's website www.renascor.com.au/corporate-governance/. The Continuous Disclosure Policy sets out the key obligations of directors, officers and employees in relation to continuous disclosure as well as the Company's obligations under the ASX Listing Rules and the Corporations Act.

Principle 6: Respect the rights of security holders

Recommendation detail	Comply Yes/No
6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes
6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes
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.	Yes
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.	Yes

Principle 6: Commentary

The Company has designed a disclosure system to ensure it complies with the ASX's continuous disclosure rules and that information is made available to all investors equally, promoting effective communications with shareholders and encouraging shareholder participation at general shareholder meetings. A copy of the Information Disclosure Program Procedures can be found within the Company's Corporate Governance Charter (Section G8 (h)) on its website www.renascor.com.au/corporate-governance/ in the Corporate Governance section. In addition to corporate and project information generally available within the Investors menu selection on the Company's website, the following information is also made available:

- ASX Releases
- Quarterly and Annual Reports
- Presentations
- Prospectus
- Corporate Governance Charter
- Trading Policy
- Diversity Policy
- Corporate Governance Statement dated 28 September 2018

The Company maintains effective two-way communications with investors and its shareholders and is committed to ensure that shareholders and the market are kept informed of its activities and progress. This is achieved through continuous disclosure reporting to the ASX, quarterly reporting, half-year and annual reporting, media releases and other investor publications. Senior executives have face to face meetings with shareholders and analysts from time to time, and presentations made are released to the market through the ASX and are available on the Company's website if they contain any information that is not already publicly available. From time to time, the Company engages investor relations professionals to assist and facilitate effective two-way communication with shareholders and investors. The Company has made available an email address, info@renascor.com.au, for shareholders and investors to make general enquiries.

Principle 6: Commentary (continued)

Shareholders are forwarded a copy of the Company's Annual Report, if requested. Documents relating to each General Meeting, including the notice of meeting, any explanatory memorandum and a proxy form are also dispatched to all shareholders who are invited to attend these meetings. Shareholders can also elect to receive communications electronically. The Company's external auditors are also required to be present at annual shareholder meetings to answer any queries shareholders may have with regard to the audit and preparation and content of the Audit Report.

Principle 7: Recognise and manage risk

Recommendation detail	Comply Yes/No
7.1 The board of a listed entity should: <ul style="list-style-type: none"> a) have a committee or committees to oversee risk, each of which: <ul 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: 3. the charter of the committee; 4. the members of the committee; and 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; OR b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework. 	No
7.2 The board or a committee of the board should: <ul style="list-style-type: none"> a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and b) disclose, in relation to each reporting period, whether such a review has taken place. 	No
7.3 A listed entity should disclose: <ul style="list-style-type: none"> a) if it has an internal audit function, how the function is structured and what role it performs; or b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes. 	Yes
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.	Yes

Principle 7: Commentary

The Board has established an Audit and Risk Management Committee, comprising two non-executive directors, Mr Bizzel (Chair) and Mr Keevers together with one executive director, Mr McConachy. The Audit and Risk Committee Charter is available on the Company's website, www.renascor.com.au/corporate-governance/ which is included as part of the Corporate Governance Charter (Section C) and sets out the role of the Committee assisting the Board in overseeing the entity's risk management framework. The number of meetings held and the individual attendances of Committee members at those meetings are disclosed in the Directors' Report on page 15 of the 2018 Annual Report to Shareholders, together with the qualifications of the members of the Audit and Risk Management Committee on pages 13 - 14.

The Audit and Risk Management Committee currently consists of three members, however, the Company is of the view that that the Audit and Risk Management Committee does not consist of a majority of independent directors in accordance with the Council's definition of independence outlined and the materiality thresholds set, and accordingly does not meet the requirements of Recommendation 7.1. While the Company does not presently comply with this Recommendation 7.1, the Company may consider appointing further independent directors in the future. The Company believes that given the size and scale of its operations, non-compliance by the Company with this Recommendation 7.1 will not be detrimental to the Company. The Board is satisfied that its present Committee structure is appropriate for the current status of the Company's size and structure.

The Board is ultimately responsible for Company's risk management and keys risks are regularly reviewed and re-assessed by management and tabled at Board meetings. Whilst a formal review of the Company's risk management framework has not been carried out during the reporting period, the Board believes that given the size and scale of the Company's operations, non-compliance with this Recommendation 7.2 will not be detrimental to the Company.

Principle 7: Commentary (continued)

It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has established an authorisation decision matrix and delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the Company to the Audit and Risk Management Committee.

The Board does not believe the Company has any material exposure to economic, environmental and social sustainability risks at the present time.

Principle 8: Remunerate fairly and responsibly

Recommendation detail	Comply Yes/No
8.1 The board of a listed entity should: <ul style="list-style-type: none"> a) have a remuneration committee which: <ul 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: <ul 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 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. 	No
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.	Yes
8.3 A listed entity which has an equity-based remuneration scheme should: <ul style="list-style-type: none"> 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 	No

Principle 8: Commentary

The Board has not established a remuneration committee. The Board considers that given its size, no efficiencies or other benefits would be gained by the establishment of such committee. The role of the remuneration committee is carried out by the full Board. The Company has adopted a Remuneration Committee Charter, which is set out in the Company's Corporate Governance Charter (Section D) and is available on the Company website, www.renascor.com.au/corporate-governance/.

The Board is responsible for determining and reviewing remuneration policies for the directors and executives. If necessary, it obtains independent advice on the appropriateness of remuneration packages given trends in comparable companies and in accordance with the objectives of the Company. The policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives are set out in the Remuneration Report contained in the Director's Report on pages 15 – 21 of the 2018 Annual Report to Shareholders. The 2018 Annual report is available on the Company website, www.renascor.com.au/asx-announcements/.

The Company does not presently have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in its equity-based remuneration scheme.