

CORPORATE GOVERNANCE STATEMENT 2021

INTRODUCTION

The Board of Miramar Resources Limited (**Company** or **Miramar**) is responsible for the overall corporate governance of the Company. The Board believes that good corporate governance helps ensure the future success of the Company, adds value to stakeholders and enhances investor confidence. The Board guides and monitors the business affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The ASX document '*Corporate Governance Principles and Recommendations 4th Edition*' (**Recommendations**) published by the ASX Corporate Governance Council applies to listed entities with the aim of enhancing the credibility and transparency of Australia's capital markets. The Board has assessed the Group's current practice against the Principles and Recommendations and other than the matters specified below under "*If Not, Why Not*" Disclosure, all the best practice recommendations of the ASX Corporate Governance Council have been applied.

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 for the financial year ended 30 June 2021.

This Statement should be read in conjunction with the Company's Corporate Governance Plan (**CG Plan**) on its website www.miramarresources.com.au/corporate/corporate-governance/.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

RECOMMENDATION 1.1: Disclose a Board Charter

COMPLY: YES

Miramar's Board Charter contained in the CG Plan details the respective role and responsibilities of the Company's Board and management and those matters expressly reserved to the Board and to management.

RECOMMENDATION 1.2: Undertake appropriate checks before appointing a Director or Senior Executive and provide Material Information to Security Holder

COMPLY: YES

The Company undertakes appropriate checks before appointing a Director or senior executive or endorsing the election of any prospective Director and provides security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director by providing biographical details of candidates including relevant qualifications, experience and skills and details of any other material directorships currently held by the candidate and in the case of a candidate standing for election as a Director for the first time:

- › confirmation that the Company has conducted appropriate checks into the candidate's background and experience which have been satisfactory; and
- › if the Board considers that the candidate will, if elected, qualify as an independent Director, a statement to that effect.

RECOMMENDATION 1.3: A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment

COMPLY: YES

Each director and senior executive are party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment, including the remuneration entitlement and performance requirements. Directors also receive a deed of indemnity, insurance, and access.

The summary of agreements is disclosed in the Company's Annual Report.

RECOMMENDATION 1.4: The Company Secretary should be Accountable Directly to the Board, through the Chair

COMPLY: YES

Miramar's Board Charter contained in the CG Plan outlines the roles, responsibilities and accountability of the Company Secretary. In accordance with this, 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 have a diversity policy which includes requirements for 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

COMPLY: PARTIALLY

The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives (if any have been set) and the Company's progress in achieving them.

The proportion of women within the Group at 30 June 2021 was as follows:

Position category	FY 2021	
	Men	Women
Board	67%	33%
Senior Executive	50%	50%
Whole Organisation	67%	33%

Given the current small size of the Board and the Company's operations, 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 or senior executives, the Board will consider the application of the measurable diversity objectives and determine 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 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 whole organisation (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: Companies should disclose, in relation to each reporting period, whether a performance evaluation of the Board was undertaken in the reporting period in accordance with that process

COMPLY: PARTIALLY

The Nomination and Remuneration Committee is responsible for evaluating the performance of the Board and individual Directors on an annual basis as appropriate. It may do so with the aid of an independent adviser. The Board has not established a Nomination and Remuneration Committees at this time. Until such time as the Board determines that it is appropriate to establish a separate Nomination and Remuneration Committee, the function of the Nomination and Remuneration Committee as set out in the Charters will be performed by the Board.

Evaluation of the Board is carried out on a continuing and informal basis. The Company will put a formal process in place as and when the level of operations justifies it. No performance evaluation was undertaken in the reporting period.

RECOMMENDATION 1.7: Companies should disclose, in relation to each reporting period, whether a performance evaluation of its senior executive was undertaken in the reporting period in accordance with that process

COMPLY: PARTIALLY

The Company's Board is responsible for evaluating the performance and remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the *Corporations Act 2001*) other than a non-executive Director.

Evaluation of the senior executives is carried out on a continuing and informal basis. The Company will put a formal process in place as and when the level of operations justifies it. No performance evaluation was undertaken in the reporting period.

PRINCIPLE 2: STRUCTURE OF THE BOARD TO BE EFFECTIVE AND ADD VALUE

RECOMMENDATION 2.1: Establish a nomination committee

COMPLY: PARTIALLY

The Board as a whole decides on the choice of any new director upon the creation of any new Board position and if any casual vacancy arises. Decisions to appoint new directors will be minuted. The Board will identify candidates and assess their skills in deciding whether an individual has the potential to add value to the Company. The Board may also seek independent advice to assist with the identification process. The Board considers that this process is appropriate given the size and the complexity of the Group's affairs. Until the situation changes the Board will carry out any necessary Nomination Committee functions.

RECOMMENDATION 2.2: Board Skill Matrix

COMPLY: YES

The Company's objective is to have an appropriate mix of expertise and experience on our Board so that it can effectively discharge its corporate governance and oversight responsibilities. It is the Board's view that the current directors possess an appropriate mix of relevant skills, experience, expertise and diversity to enable the Board to discharge its responsibilities and deliver the Company's strategic objectives.

The Board will assess each Director's skills and experience and the current Directors as a group, against the Board Skills Matrix from time to time. It is not a requirement that each Director should present all of the skills and experience listed in the Board Skills Matrix, but the Board collectively should present all of the skills and experience listed in the Board Skills Matrix.

The Board Skill Matrix will be reviewed regularly by the Board to ensure it covers the skills necessary to address existing and emerging business and governance issues relevant to Miramar, as well as to provide support for ensuring that existing directors seek ongoing professional development to maintain their skills or when filling any Board vacancies.

Skill	Attributes
Executive Leadership	Sustainable success in business at a very senior executive level.
Strategy	Skills in developing and implementing a successful strategy, including appropriately overseeing and challenging management on the delivery of agreed strategic planning objectives.
Governance	Commitment to the highest standards of governance, including experience with a major organisation that is subject to rigorous governance standards, and an ability to assess the effectiveness of senior management.
Financial Acumen	Senior executive or equivalent experience in financial accounting and reporting, corporate finance and internal financial controls, including an ability to probe the adequacies of financial and risk controls.
Relevant Exploration and Mining Industry Experience	Experience in the exploration and/or mining industry, including in-depth knowledge of the Group's corporate purpose, strategy, market, competitors, operational issues and technology.
Health, Safety and Environment	Experience related to workplace health and safety, environmental and social responsibility, and community.
Culture and Remuneration	Experience in remuneration policy and implementation, linking remuneration to strategy and performance. Ability to develop succession plans and to develop talent, culture and diversity.

RECOMMENDATION 2.3: Independent Directors

COMPLY: NO

The Board currently consists of three directors (one Non-Executive Directors and two Executive Directors) of whom all directors are considered non-independent.

The existence of any of the relationships listed in Box 2.3 of the Guide (regarding director independence) and an explanation of why the Board considers a Director to be independent, notwithstanding the existence of those relationships is disclosed in the company's CG Plan, available on the Company's website.

The period of office held by each Director in office is disclosed in the Company's Annual Report.

RECOMMENDATION 2.4: Majority Independent Directors

COMPLY: NO

The Board currently consists of three directors (one Non-Executive Directors and two Executive Directors) of whom all directors are considered non-independent. Details of their skills, experience and expertise and the period of office held by each Director have been included in the Company's Annual Report. The number of Board meetings and the attendance of the Directors are set out in the Company's Annual Report.

The Board considers that the composition of the existing Board is appropriate given the scope and size of the Group's operations and the skills matrix of the existing Board members. The Board will continue to monitor whether this remains appropriate as the scope and scale of its activities evolves and expands.

RECOMMENDATION 2.5: The Chair of the Board should be an independent director and, in particular, should not be the same person as the Managing Director/Chief Executive Officer

COMPLY: NO

The current Chair of the Company is Mr Allan Kelly. Mr Kelly does not satisfy the Recommendations definition of an independent director and he holds an equivalent position of a Managing Director. However the Board considers Mr Kelly's role as Executive Chairman essential to the success of the Group in its current stage, wherein the Group continues to refine its focus on the strategic development of the business. Over time, it is proposed that the Chair position will transition to an independent non-executive director who will not be the same person as the Managing Director.

RECOMMENDATION 2.6: Induction Program for New Directors and Periodic Review for Existing Directors to Undertake Professional Development **COMPLY: NO**

Under its CG Plan, the Company commits to providing induction programs for new directors and senior executives as well as providing opportunities for continuing professional development for all directors and executives.

New directors are to be provided with an induction pack at the time of their appointment that provides them with detailed information about the Company, its operations, financial position, risk profile and risk management framework, and its strategies and objectives. The pack is also to include copies of the Company Constitution, the CG Plan, the most recent annual report, recent ASX releases, and minutes and papers of previous board and committee meetings.

New directors also receive a letter of appointment setting out, amongst other things, their rights, duties and responsibilities as a director of the Company.

The directors are encouraged to undertake professional development activities to update and enhance their skills and knowledge. It is the practice of the board's directors to reasonably openly share relevant information they may become privy to arising from their professional development activities.

PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

RECOMMENDATION 3.1: Articulate and Disclose its Values **COMPLY: YES**

Miramar is committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board, management and employees are dedicated to high ethical standards and recognise and support the Group's commitment to compliance with these standards.

The Company's values are set out in its Code of Conduct contained in the CG Plan and are available on the Company's website. All employees are given appropriate training on the Company's values and senior executives will continually reference such values.

RECOMMENDATION 3.2: Disclose a Code of Conduct and be Informed of any Material Breaches **COMPLY: YES**

Miramar's Code of Conduct contained in the CG Plan applies to the Directors, senior executives and employees. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board.

RECOMMENDATION 3.3: Disclose a Whistleblower Policy and be Informed of any Material Breaches **COMPLY: YES**

Miramar's Whistleblower Policy contained in the CG Plan is disclosed on the Company's website. Any material incidents of the Whistleblower Policy are reported to the Board or a committee of the Board.

RECOMMENDATION 3.4: Disclose an Anti-Bribery and Corruption Policy and be Informed of any Material Breaches **COMPLY: YES**

Miramar's Anti-Bribery and Corruption Policy contained in the CG Plan is disclosed on the Company's website. Any material incidents of the Whistleblower Policy are reported to the Board or a committee of the Board.

PRINCIPLE 4: SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

RECOMMENDATION 4.1: Establish an audit committee

COMPLY: PARTIAL

The Board as a whole meets with the auditor to identify and discuss the areas of audit focus, appropriateness of the accounting judgement or choices exercised by management in preparation of the financial statements. The Board may also seek independent advice as and when required to address matters pertaining to appointment, removal or rotation of auditor. The Board considers that this process is appropriate given the size and the complexity of the Group's affairs. It is not considered necessary to have a separate Audit Committee.

RECOMMENDATION 4.2: Approval of Financial Statements

COMPLY: YES

The Board receives a written assurance in respect of each reporting period from the persons performing the Managing director and the Chief Financial Officer functions that the declaration provided by them in accordance with section 295A of the *Corporations Act 2001* is founded on their evaluation of the Company's system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks for each financial period.

RECOMMENDATION 4.3: Verification of Integrity of Periodic Corporate Report not audited or reviewed by an external auditor

COMPLY: YES

The Company's process for verification of integrity of such reports is similar to the process it follows for all releases to the market including through policy settings and their application designed: to ensure its relevant personnel who prepare the reports are appropriately qualified and have appropriate information available to them to support the relevant report; to ensure that such reports have been checked and approved for release by authorised personnel in accordance with the Company's delegation of authority matrix; to ensure that relevant personnel are aware of the Company's policies, procedures and practices which are designed to assure integrity of process including to avoid improper practices which may compromise such integrity e.g. Code of Conduct, continuous disclosure/release of price sensitive information, whistle-blower and anti-bribery and corruption policies.

PRINCIPLE 5: MAKE TIMELY AND BALANCES DISCLOSURE

RECOMMENDATION 5.1: Disclose a Continuous Disclosure Policy

COMPLY: YES

Miramar's Continuous Disclosure Policy contained in the CG Plan is disclosed on the Company's website.

RECOMMENDATION 5.2: Board receives Market Announcement Promptly

COMPLY: YES

Miramar's Continuous Disclosure Policy contained in the CG Plan requires all members of the Board receives material market announcements promptly after they have been made.

RECOMMENDATION 5.2: Investor or Analyst Presentation Released to ASX ahead of the Presentation

COMPLY: YES

Miramar's releases any substantive investor or analyst presentation on the ASX Market Announcements Platform ahead of the presentation.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

RECOMMENDATION 6.1: Provide Information of the Company and its governance on the Website COMPLY: YES

Miramar provides information about itself and its governance to investors via its website and complies with Listing Rule 3.1 in relation to publication of all relevant documents and reports.

The Company's policies, charter and statements are available on its website <https://www.miramarresources.com.au>.

RECOMMENDATION 6.2: Investor Relations Program to Facilitate Effective Two-Way Communication COMPLY: YES

Miramar's Shareholder Communications Strategy contained in the CG Plan aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to security holders and is available on the Company's website.

RECOMMENDATION 6.3: Encourage Participation at Meetings COMPLY: YES

The Company encourages shareholders to participate at all general meeting and Annual General Meetings of the Company.

RECOMMENDATION 6.4: Resolutions at a Meeting to be Decided by Poll COMPLY: YES

Miramar's Constitution provides for all substantive resolutions to be determined by a poll rather than a show of hands. The number of votes for or against a resolution is both reported in the Company's Minutes and announced to ASX in accordance with the provisions of the ASX Listing Rules.

RECOMMENDATION 6.5: Option to Receive and Send Communication Electronically COMPLY: YES

Miramar's share register is managed by Automic Group Pty Ltd (**Automic**). Shareholders have the option of receiving all shareholder communications from the Company and from Automic electronically. These communications include notices of meeting, dividend statements, and annual and half-yearly reports.

As a general rule, the shareholders receive printed copies of documents only where they specifically elect to do so, or in certain limited circumstances where, for example, an original signature or document is required.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

RECOMMENDATION 7.1: Establish a risk committee

COMPLY: PARTIAL

The Company is constantly monitoring risks associated with the economy, industry and company due to their role as professional fund managers, lawyers, in-country specialists and shareholders with a view to managing risks and identifying threats. This process is on-going. The preparation of the Board pack and its timely distribution is a key element of this process along with monthly cash flow budgets, management discussions and informal communications between the Board and management via telephone, email and in person. The Board considers that this process is appropriate given the size and complexity of the Group's affairs. It is not considered necessary to have a separate Risk Committee.

RECOMMENDATION 7.2: Risk Management Framework and Periodic Review

COMPLY: PARTIAL

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The Company believes that it is crucial for all Board members to be part of this process and as such the Board has not established a separate risk management committee. The Board considers that this process is appropriate given the size and the complexity of the Group's affairs.

The Board has a number of mechanisms in place to ensure management's objectives and activities are aligned by the Board. These include but are not limited to the following:

- › Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- › Implementation of Board approved operating plans and Board monitoring of the progress against budgets that is reviewed at every board meeting.

The Board did not undertake a review of the risk management framework during the current reporting period and is working towards establishment of a risk management framework which will be in accordance with industry accepted standards.

RECOMMENDATION 7.3: Internal Audit

COMPLY: NO

The Company reviews its risk and internal control processes on a continual informal basis and works alongside auditors at half year and year end reviews to identify the Company's risks, systems and procedures. The Company may also seek independent advice to assist with the identification of risks and processes if and when required. The Board considers that this process is appropriate given the size and the complexity of the Group's affairs. It is not considered necessary to have an internal audit function. Nonetheless it remains committed to effective management and control of these factors.

RECOMMENDATION 7.4: Material Economic, Environmental and Social Risk

COMPLY: PARTIAL

The nature of the Group's exploration operations is such that it could be seen to be constantly exposed to economic, environmental and social risks. The Board and Management have respect for the rights and beliefs of all stakeholders and it is part of the Group's culture to have open, honest and constant two way communication with stakeholders and to operate fully within the laws of the jurisdictions the Group operates within. The Group maintains high standards with regards its environmental and social practices and is constantly striving to improve its engagement and information processes. The Board and Management will continue to monitor these risks to the Group.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

RECOMMENDATION 8.1: Establish a Remuneration Committee

COMPLY: PARTIAL

The Board as a whole may appoint an independent working group comprising consultants, Directors and/or the Company Secretary to review and make recommendations to the board in relation to the remuneration framework as well as identify candidates and assess their skills in deciding whether an individual has the potential to add value to the Company. The Board considers that this process is appropriate given the size and the complexity of the Group's affairs. It is not considered necessary to have a separate nomination or remuneration committee. Until the situation changes the Board of Miramar will carry out any necessary remuneration committee functions.

RECOMMENDATION 8.2: Disclose Policies and Practices Regarding the Remuneration of the Non-Executive Directors, Executive Directors and Other Senior Executives

COMPLY: YES

The Company's CG Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed in the remuneration report contained in the Company's Annual Report.

RECOMMENDATION 8.3: Equity Based Remuneration Scheme

COMPLY: YES

The Company does not have an equity-based remuneration scheme in place. In the event where the Company establish an equity based remuneration scheme in place, it does not intent to permit the use of derivatives to limit the economic exposure of the plan.

OTHER PROCESSES

INDEPENDENT PROFESSIONAL ADVICE

Directors of the Company are expected to exercise considered and independent judgement on matters before them and may need to seek independent professional advice. A director with prior written approval from the Chairman may, at the Group's expense obtain independent professional advice to properly discharge their responsibilities.