



ABN 48 116 296 541

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**CORPORATE GOVERNANCE STATEMENT**

FOR THE PERIOD

1 JULY 2020 TO 30 JUNE 2021

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<b>ASX Corporate Governance Principle/Recommendation (4<sup>th</sup> Edition)</b>	<b>Comply</b>	<b>Particulars of Compliance and If Not Why Not</b>
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<b>Principle 1 - Lay solid foundations for management and oversight</b>		
<p><b>Recommendation 1.1</b></p> <p>A listed entity should have and disclose a board charter setting out:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p><b>Yes</b></p>	<p>The Board has adopted a formal charter that details the functions and responsibilities of the Board and management (<b>Board Charter</b>).</p> <p>As provided for in the Board Charter, the Board is responsible for all matters relating to the running of the Company, and more specifically, all matters relating to the policies, practices, management and operations of the Company. In addition to decisions requiring approval pursuant to the respective Committee Charters, the following decisions must be approved by the Board:</p> <p>(a) Directors acquiring or selling shares of the Company;</p> <p>(b) issuing shares of the Company;</p> <p>(c) acquiring, selling or otherwise disposing of property in excess of the amount set out in the Company's approval matrix;</p> <p>(d) founding, acquiring or selling subsidiaries of or any company within the Company, participating in other companies, or dissolving or selling the Company's participation in other companies (including project joint ventures);</p> <p>(e) acquiring or selling patent rights, rights in registered trademarks, licences or other intellectual property rights of the Company;</p> <p>(f) founding, dissolving or relocating branch offices or other offices, plants and facilities;</p> <p>(g) starting new business activities, terminating existing business activities or initiating major changes to the field of the Company's business activities;</p> <p>(h) approving and/or altering the annual business plan (including financial planning) for the Company or any part of the Company;</p>

ASX Corporate Governance Principle/Recommendation (4 <sup>th</sup> Edition)	Comply	Particulars of Compliance and If Not Why Not
		<ul style="list-style-type: none"> <li>(i) taking or granting loans which exceed the amount set out in the Company's approval matrix;</li> <li>(j) granting securities of any type;</li> <li>(k) granting loans to Company officers or employees and taking over guarantees for the Company's officers and employees;</li> <li>(l) entering into agreements for recurring, voluntary or additional social benefits, superannuation agreements or agreements for general wage and salary increases;</li> <li>(m) determining the total amount of bonuses and gratuities for Company officers and employees;</li> <li>(n) determining the appointment, termination, prolongation of employment or amendment to conditions of employment of members of the Board; and</li> <li>(o) granting or revoking a power of attorney or limited authority to sign and/or act on behalf of the Company.</li> </ul> <p>The detail of some board functions will be handled through Board Committees as and when the size and scale of operations requires such Committees. However, the Board as a whole is responsible for determining the extent of the powers residing in each Committee and is ultimately responsible for accepting, modifying or rejecting Committee recommendations.</p> <p>The CEO (as a delegate of the Board) is responsible for the effective leadership and day-to-day operations and administration of the Company.</p> <p>The responsibilities of the Board as a whole, the Chair, individual Directors and the functions delegated to Senior Management are set out in more detail in Part A of the Company's Board Charter, which is available on the Corporate Governance page of the Company's website</p>

ASX Corporate Governance Principle/Recommendation (4 <sup>th</sup> Edition)	Comply	Particulars of Compliance and If Not Why Not
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(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</p>	Yes	<p>The Board has established policies and procedures that apply to the appointment of new Directors, which include checks as to the person's character, experience, education and appropriate background checks. At any AGM the Company provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p> <p>The Company gives shareholders all material information in its possession relevant to the decision whether or not to elect or re-elect a Director, either in the notice of meeting and explanatory statement for the relevant meeting of shareholders which addresses the election or re-election of the Director, or by including in the notice a clear reference to the location on the Company's website, Annual Report or other document lodged with ASX where the information can be found.</p>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	<p>Non-executive Directors are provided a formal letter of appointment which sets out their duties and responsibilities, rights and remuneration entitlements. Senior executives are employed under individual service contracts which set out their terms of employment including details of their duties, responsibilities, rights and remuneration entitlements.</p>
<p><b>Recommendation 1.4</b></p> <p>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.</p>	Yes	<p>The role of Company Secretary, as at 30 June 2021 was carried out by Graeme Smith. Mr Smith also fulfilled the Chief Financial Officers role and reported directly to the Executive Chairman. For any matter specific to company secretarial duties or relevant to the Board, the Company Secretary is accountable directly to the Chair of the Board.</p>
<p><b>Recommendation 1.5</b></p>	Yes	<p>The Board has adopted a Diversity Policy which sets out the Company's commitment to diversity and inclusion in the workplace. The Diversity Policy does not include a requirement for the Board to establish measurable objectives for achieving gender diversity. Given the</p>

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<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(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</li> <li>(c) disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>(i) the measurable objectives set for that period to achieve gender diversity;</li> <li>(ii) the entity's progress towards achieving those objectives; and</li> <li>(iii) either: <ul style="list-style-type: none"> <li>(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</li> <li>(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 and published under the Act.</li> </ul> </li> </ul> </li> </ul>		<p>small size of the Company workforce, the Board has determined that it is not currently necessary or practicable to establish measurable objectives in this area.</p> <p>As the size and the scale of the Company grows the Board will set and aim to achieve gender diversity objectives as Director and senior executive positions become vacant and appropriately qualified candidates become available.</p> <p>At the date of this report the Company has only two senior executive positions (Executive Chairman and all those persons who report direct to the Executive Chairman) all of which are currently filled by men.</p> <p>The proportion of women employees in the whole organisation, women in senior executive positions and women on the Board are set out in the following table:</p> <table border="1" data-bbox="1066 802 2101 927"> <thead> <tr> <th colspan="2" style="background-color: #444; color: white;">Proportion of women</th> </tr> </thead> <tbody> <tr> <td style="background-color: #444; color: white;">Whole Organisation</td> <td>2 out of 7 (29%)</td> </tr> <tr> <td style="background-color: #444; color: white;">Senior Executives Positions</td> <td>0 out of 2 (0%)</td> </tr> <tr> <td style="background-color: #444; color: white;">Non-executive Directors</td> <td>1 out of 4 (25%)</td> </tr> </tbody> </table>	Proportion of women		Whole Organisation	2 out of 7 (29%)	Senior Executives Positions	0 out of 2 (0%)	Non-executive Directors	1 out of 4 (25%)
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<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p>	<p><b>Yes</b></p>	<p>The Board regularly monitors its performance and the performance of the Directors and Board committees throughout the year. This may occur through an internal review led by the Chair, or be performed with the assistance of external advisers as considered appropriate. The Chair also speaks to Directors individually regarding their role and performance as a Director.</p>								

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<p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>		<p>Generally, evaluations are conducted initially by the [Chair] via questionnaires and/or interviews covering matters such as each Director's individual contribution, Board and committee performance and the functioning of the Board and committee processes. The overall outcomes are discussed by the Board with measures taken to improve the effectiveness and efficiency of the Board and committees as appropriate.</p> <p>No performance evaluation review with respect to the Board, its committees or the individual Directors was undertaken during the year.</p>
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><b>No</b></p>	<p>Senior executives are subject to annual performance evaluations carried out by the Executive Chairman. The assessments are reviewed by the Remuneration Committee. Due to the small number of executives the performance review was conducted on an informal basis.</p> <p>Details on key management personnel remuneration are contained in the Remuneration Report section of the Directors' Report in the Company's 2021 Annual Report.</p> <p>During the year Performance Evaluations were carried out on senior executives</p>
<p><b>Principle 2 – Structure the board to be effective and add value</b></p>		
<p><b>Recommendation 2.1</b></p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p>	<p><b>Yes</b></p>	<p>At the end of the financial year, the Board had three Directors comprising of the Executive Chairman, and two Non-executive Directors, which are both currently independent. The Directors of Avenira during the financial year are listed with a brief description of their qualifications, appointment date, experience and special responsibilities are listed on the Company's website as well as in the Company's 2021 Annual Report.</p>

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<p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>		<p>In July 2021, 2 additional directors (Roger Harris and Dr Geoffrey Xue) joined the Board</p> <p>The Board has established a Nomination Committee in conjunction with the Remuneration Committee. It is comprised of the following members:</p> <table border="1" data-bbox="1077 523 1962 639"> <thead> <tr> <th>Director</th> <th>Executive Status</th> <th>Independence Status</th> </tr> </thead> <tbody> <tr> <td>Kevin Dundo – Chair</td> <td>Non-executive Director</td> <td>Yes</td> </tr> <tr> <td>Winnie Lai Hadad</td> <td>Non-executive Director</td> <td>Yes</td> </tr> <tr> <td>Dr Geoffrey Xue</td> <td>Non-executive Director</td> <td>Yes</td> </tr> </tbody> </table> <p>The Remuneration and Nomination Committee Charter sets out the Committee’s roles and responsibilities. These include Board renewal, succession planning, induction and evaluation. Details on the number of meetings held throughout the year and attendance at those meetings can be found on page 18 in the Director’s Report section of the Company’s 2021 Annual Report.</p> <p>The Remuneration and Nomination Committee’s Charter is available on the Company’s website.</p>	Director	Executive Status	Independence Status	Kevin Dundo – Chair	Non-executive Director	Yes	Winnie Lai Hadad	Non-executive Director	Yes	Dr Geoffrey Xue	Non-executive Director	Yes
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<p><b>Recommendation 2.2</b></p> <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p><b>Yes</b></p>	<p>The Board considers that there is currently an appropriate mix of skills, diversity and experience on the Board, taking into account the size of the Company, the stage of its development and the nature of its operations. The Company seeks to maintain a Board of Directors with a broad range of financial, industry and other relevant skills, experience and knowledge. The Board has developed a matrix to consider the appropriate mix of skills, experience, expertise and diversity across its current membership and to assist in identifying what may be required of candidates in the event a new director is required.</p> <p>Collectively, the Board has an extensive range of commercial skills and other relevant experience which are vital for the effective management of the business. Board members, including some who are also directors of other ASX-listed companies, together have a combination of experience in the following business areas:</p> <ul style="list-style-type: none"> <li>• merger and acquisition transactions;</li> <li>• leadership;</li> </ul>												

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		<ul style="list-style-type: none"> <li>• corporate governance and risk;</li> <li>• human resources;</li> <li>• investor relations;</li> <li>• public capital markets;</li> <li>• corporate strategy</li> <li>• phosphate and phosphate marketing;</li> <li>• accounting and finance;</li> <li>• health and safety;</li> <li>• mineral exploration and geology;</li> <li>• relevant geographic experience;</li> <li>• mineral project development; and</li> <li>• mining operations and production.</li> </ul> <p>The Company will monitor the skills of the Board on an ongoing basis especially as it moves from an exploration company to a production company</p>																														
<p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position or relationship of the type described in Box 2.3 (Factors relevant to assessing the independence of a director) 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</p> <p>(c) the length of service of each director.</p>	<p><b>Yes</b></p>	<p>Avenira considers a Director to be independent where they are 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 judgment to bear on issues before the Board and to act in the best interest of the entity and its security holders generally.</p> <p>The Directors are required to complete an independent questionnaire based on factors relevant to assessing the independence of a director as set out in box 2.3 of the ASX Corporate Governance Council Principles and Recommendations. The Board will review the independence of each Director at a minimum, on an annual basis.</p> <p>The following table sets out the Directors of the Company at the end of the reporting period, including their length of service and non-executive and independent status.</p> <table border="1" data-bbox="1021 1126 2107 1342"> <thead> <tr> <th>Name</th> <th>Appointment Date</th> <th>Current Length of Service</th> <th>Non-executive?</th> <th>Independent?</th> </tr> </thead> <tbody> <tr> <td>Brett Clark</td> <td>14 Dec 2017</td> <td>3 year 9 months</td> <td>No</td> <td>No</td> </tr> <tr> <td>Winnie Lai Hadad</td> <td>22 Oct 2019</td> <td>23 months</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Kevin Dundo</td> <td>22 Oct 2019</td> <td>23 months</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Roger Harris</td> <td>8 July 2021</td> <td>3 months</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Dr Geoffrey Xue</td> <td>23 July 2021</td> <td>3 months</td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table>	Name	Appointment Date	Current Length of Service	Non-executive?	Independent?	Brett Clark	14 Dec 2017	3 year 9 months	No	No	Winnie Lai Hadad	22 Oct 2019	23 months	Yes	Yes	Kevin Dundo	22 Oct 2019	23 months	Yes	Yes	Roger Harris	8 July 2021	3 months	Yes	Yes	Dr Geoffrey Xue	23 July 2021	3 months	Yes	Yes
Name	Appointment Date	Current Length of Service	Non-executive?	Independent?																												
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<p><b>Recommendation 2.4</b></p>	<p><b>Yes</b></p>	<p>The Board is comprised of a majority of independent directors.</p>																														



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A majority of the board of a listed entity should be independent directors.		
<p><b>Recommendation 2.5</b></p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p><b>No</b></p>	<p>The role of the Avenira Chair and CEO has been performed Mr Brett Clark during the last financial year. Mr Clark is not an independent director. The Board considers it appropriate to have the Chairman engaged in an executive capacity at this critical stage of the Company's development</p>
<p><b>Recommendation 2.6</b></p> <p>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.</p>	<p><b>Yes</b></p>	<p>New Directors are provided with a formal letter of appointment and induction pack which includes a range of information to allow them to gain an understanding of their rights and responsibilities, the role of the Board, its Committees and senior executives and the Company's financial, strategic, operational and risk management policies and position. The Board Charter provides that the Company Secretary is responsible for arranging an induction program for any new director to enable the Director to gain an understanding of matters including the Company's operations and the industry in which it operates, the Company's culture and values, and its financial, strategic, operational and risk management position. The program may include presentations and meetings with Directors and senior executives and site visits. Directors are encouraged to undertake professional development opportunities as and when required in order to further develop and maintain their skills and knowledge</p>
<p><b>Principle 3 – Instil a culture of acting lawfully, ethically and responsibly</b></p>		
<p><b>Recommendation 3.1</b></p> <p>A listed entity should articulate and disclose its values.</p>	<p><b>Yes</b></p>	<p>The Board has approved a statement of values and charges the Directors with the responsibility of inculcating those values across the Company. A copy of the Company's statement of values is available on the "Corporate Governance" page of the Company's website.</p>

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<p><b>Recommendation 3.2</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.</p>	<p><b>Yes</b></p>	<p>The Company has established a Code of Conduct (<b>the Code</b>) which applies to all employees. The Code is a guide for the way we operate and each employee will abide by the following minimum standards:</p> <ul style="list-style-type: none"> <li>• treat each other with respect and dignity;</li> <li>• respect the law and act accordingly;</li> <li>• be fair and honest in dealings;</li> <li>• use the Company's property responsibly and in the best interests of the Company and its reputation;</li> <li>• be responsible for actions and accountable for their consequences; and</li> <li>• be responsible to the community and the individual.</li> </ul> <p>Employees are responsible for actively reporting any inappropriate behaviour, corrupt practices or any breaches of the law or the Code. In order to do so employees are encouraged to follow the steps outlined in the Whistleblower Policy.</p> <p>In addition, a Code of Conduct for Directors and Executives has been established. It aims to promote the highest standards of ethics and integrity, disclose any perceived conflicts of interest, respect confidentiality, be honest and protect the assets of the company. The Code of Conduct, Code of Conduct for Directors and Executives and the Whistleblower Policy are available on the Company's website.</p>

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<p><b>Recommendation 3.3</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.</p>	Yes	<p>The Board has adopted a whistleblower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk.</p>												
<p><b>Recommendation 3.4</b></p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the Board or a committee of the Board is informed of any material breaches of that policy.</p>	Yes	<p>The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.</p>												
<b>Principle 4 – Safeguard the integrity of corporate reports</b>														
<p><b>Recommendation 4.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p>	Yes	<p>The Board has established an Audit Committee. It is comprised of the following members:</p> <table border="1" data-bbox="1084 1251 2101 1378"> <thead> <tr> <th>Director</th> <th>Executive Status</th> <th>Independence Status</th> </tr> </thead> <tbody> <tr> <td>Winnie Lai Hadad – Chair</td> <td>Non-executive Director</td> <td>Yes</td> </tr> <tr> <td>Kevin Dundo</td> <td>Non-executive Director</td> <td>Yes</td> </tr> <tr> <td>Roger Harris</td> <td>Non-executive Director</td> <td>Yes</td> </tr> </tbody> </table> <p>Currently all members of the Committee are independent. Details of the qualifications and experience of all Committee members are disclosed in the Directors Report section of the</p>	Director	Executive Status	Independence Status	Winnie Lai Hadad – Chair	Non-executive Director	Yes	Kevin Dundo	Non-executive Director	Yes	Roger Harris	Non-executive Director	Yes
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<p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>Company's 2021 Annual Report. Details on the number of meetings held throughout the year and attendance at those meetings can also be found in the Directors Report section of the Company's 2021 Annual Report.</p> <p>The Audit Committee discusses directly with the auditors in respect of each half year and full year, all relevant financial aspects of the Company.</p> <p>The Committee's responsibilities include, but are not limited to:</p> <p>(a) verifying and safeguarding the integrity of the Company's stakeholder reporting;</p> <p>(b) reviewing and recommending approval to the Board of the audited annual and half-yearly financial reports;</p> <p>(c) reviewing the appointment of the external auditor, their independence and performance, the audit fee, any questions of their resignation or dismissal and assessing the scope and adequacy of the external audit and making appropriate recommendations to the full Board; and</p> <p>(d) performing a risk management function (refer to Recommendation 7.1 for further details).</p> <p>Information on the Company's procedures for the selection and appointment of the external auditor and the rotation of external audit partners is set out in the Policy on Selection, Appointment and Rotation of External Auditors, which is available on the Company's website.</p> <p>The number of times that the AR Committee met during the reporting period and the individual attendances of AR Committee members at those meetings are disclosed in the Company's Annual Report.</p>

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<p><b>Recommendation 4.2</b></p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	<p>Prior to Board approval of the Company's half year and annual financial reports the Executive Chairman and the Chief Financial Officer provide the Board with declarations required under section 295A of the Corporations Act 2001 (Cth).</p> <p>The declarations state that, in their opinion, the financial records of Company had been properly maintained and that the financial statements complied with the appropriate accounting standards and gave a true and fair view of the financial position and performance of the Company and that those opinions had been formed on the basis of a sound system of risk management and internal control which was operating effectively.</p> <p>For periodic financial reports declarations by the Executive Chairman and Chief Financial Officer are provided as required.</p>
<p><b>Recommendation 4.3</b></p> <p>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.</p>	Yes	<p>When preparing reports for release to the market including the quarterly activity and cash flow reports, these reports shall be prepared and reviewed by the Executive Chairman before being presented to the Board for review and approval. Such reports shall not be released to market without this review and approval process by executive management and the Board.</p>
<p><b>Principle 5 – Make timely and balanced disclosure</b></p>		
<p><b>Recommendation 5.1</b></p>	Yes	<p>The Company has adopted a Continuous Disclosure Policy to:</p> <ul style="list-style-type: none"> <li>• provide shareholders and the market with timely, direct and equal access to information issued by the Company;</li> <li>• promote investor confidence in the integrity of the Company and its securities;</li> </ul>

<b>ASX Corporate Governance Principle/Recommendation (4<sup>th</sup> Edition)</b>	<b>Comply</b>	<b>Particulars of Compliance and If Not Why Not</b>
<p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under ASX Listing Rule 3.1.</p>		<ul style="list-style-type: none"> <li>ensure compliance by the Company with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules, and to ensure accountability at a senior executive level for that compliance.</li> </ul> <p>The Company Secretary reports to the Board at periodic Board meetings on all announcements released to the ASX. Where practicable, Directors review draft copies of all significant announcements before release to the ASX. All ASX announcements are available in the Investor Centre section on the Avenir website.</p> <p>The Executive Chairman is responsible for determining what information is to be disclosed.</p> <p>The Continuous Disclosure Policy is available on the Company's website.</p>
<p><b>Recommendation 5.2</b></p> <p>A listed entity should ensure that its Board receives copies of all material market announcements promptly after they have been made.</p>	<p><b>Yes</b></p>	<p>The Board has appointed the Company Secretary as the person responsible for communicating with ASX and overseeing and coordinating the timely disclosure of information to ASX, subject to prior review and approval of all announcements by the Directors. The Company Secretary ensures that the Board are aware of when any announcement is due to go out and when the confirmation of release is received by the ASX, the Company Secretary promptly forwards this to the Board.</p>
<p><b>Recommendation 5.3</b></p> <p>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.</p>	<p><b>Yes</b></p>	<p>The Board has appointed the Company Secretary as the person responsible for communicating with ASX and overseeing and coordinating the timely disclosure of information to ASX, subject to prior review and approval of all announcements by the Directors. The Company Secretary ensures any substantive presentations are released to the ASX Market Announcements Platform ahead of the presentation and in accordance with the Continuous Disclosure Policy of the Company.</p>
<p><b>Principle 6 – Respect the rights of security holders</b></p>		

ASX Corporate Governance Principle/Recommendation (4 <sup>th</sup> Edition)	Comply	Particulars of Compliance and If Not Why Not
<p><b>Recommendation 6.1</b></p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p><b>Yes</b></p>	<p>The Company's website <a href="http://www.avenira.com">www.avenira.com</a> provides detailed information about the Company, including its background, objectives, projects, contact details and all key corporate policies and statements. ASX announcements, Company Reports and presentations are uploaded to the website following release to the ASX.</p> <p>Shareholders can find information about the Company's corporate governance practices on the website within the Corporate Governance section under About Us. This includes the Company's Constitution, Board and Committee Charters and the Company's other corporate governance policies.</p>
<p><b>Recommendation 6.2</b></p> <p>A listed entity should have an investor relations program that facilitates effective two-way communications with investors.</p>	<p><b>Yes</b></p>	<p>The Company is committed to engaging with shareholders and using a variety of tools to facilitate effective two-way communication. In doing so it has adopted a Shareholder Communications Policy which outlines the range of media used to communicate with shareholders and the types of information provided. The Company encourages participation by shareholders at the Company's General Meetings, investor presentations and via the contact details provided on the Company's website.</p> <p>Shareholders can also register with the Company to receive e-mail 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 posted.</p> <p>The Shareholder Communications Policy is available on the Company's website.</p>
<p><b>Recommendation 6.3</b></p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p><b>Yes</b></p>	<p>The Company sees General Meetings as an important forum for reciprocal communication between itself and shareholders. Such meetings allow opportunities for shareholders to hear from and put questions to the Board, senior executives and the external auditor. In order to maximise shareholder participation at General Meetings, and to enable those shareholders who are unable to attend, the Company welcomes questions or comments to be submitted prior to the meeting. Such questions or comments will, where appropriate, be answered or responded to at the General Meeting, either verbally or in writing.</p>

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<p><b>Recommendation 6.4</b></p> <p>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.</p>	Yes	The Company conducts a poll at meetings of security holders to decide each resolution.
<p><b>Recommendation 6.5</b></p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	Yes	<p>The Company provides shareholders with the option of receiving communications from, and sending communications to, the Company and Share Registry electronically, for reasons of cost, convenience and environmental considerations. The Company provides a printed copy of the Annual Report only to those shareholders who have specifically elected to receive a printed copy. Other shareholders are advised that the Annual Report is available on the Company's website.</p> <p>Shareholders are encouraged to register on the Company website to receive email alerts of ASX Announcements and Media Releases and other news. The Company's Share Register is managed and maintained by Computershare Invertor Services Pty Limited. Shareholders can access their shareholding details or make enquiries about their shareholding electronically through the Computershare website or by emailing <a href="mailto:web.queries@computershare.com.au">web.queries@computershare.com.au</a>.</p>
<b>Principle 7 – Recognise and manage risk</b>		
<p><b>Recommendation 7.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p>	No	<p>The Board has not set up a separate risk management committee and approaches risk on a full Board basis. The Board as a whole assess:</p> <ul style="list-style-type: none"> <li>• the adequacy of the Company's processes for managing risk;</li> <li>• any incident involving fraud or other breakdown of the Company's internal controls; and</li> </ul>



ASX Corporate Governance Principle/Recommendation (4 <sup>th</sup> Edition)	Comply	Particulars of Compliance and If Not Why Not
<p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy paragraph (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>		<ul style="list-style-type: none"> <li>the Company's insurance program having regard to the Company's insurable risks associated with its business.</li> </ul> <p>The Company is committed to the identification, monitoring and management of material business risks of its activities. The Company has a Risk Management Policy which can be found on Avenira website under Corporate Governance. The Board is responsible for overseeing and approving risk management strategy and policies, whilst management is responsible for internal compliance and internal control. Management provides specific recommendations to the Board regarding the existence and status of business risks.</p> <p>(a) The Company is in the process of establishing a risk register that will be maintained by management on an ongoing basis</p> <p>That is, matters typically dealt with by a risk committee are dealt with by the full Board.</p>
<p><b>Recommendation 7.2</b></p> <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p>	<p><b>Partially</b></p>	<p>The Board oversees the Company's management of risks and receives reports from management at regular intervals. The Board does not receive a formal report from management on whether the Company's material business risks are being managed effectively as its current risk management reporting process is sufficient for the Company's current stage of development. Key risk areas are a standing agenda item at Board meetings for discussion as required.</p> <p>There was no formal review of the Company's risk management framework during the financial year.</p>

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(b) disclose, in relation to each reporting period, whether such a review has taken place.		
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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.</p>	<p><b>No</b></p>	<p>The Company does not have a dedicated internal audit function. The Board considers this is appropriate, due to its size and stage of development of Avenira operations. The Board and Audit Committee regularly discusses the appropriateness of controls with the external auditor and if considered necessary would initiate an audit of a particular function</p>
<p><b>Recommendation 7.4</b></p> <p>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.</p>	<p><b>Yes</b></p>	<p><b>Environmental:</b> The Company is subject to, and responsible for, ensuring compliance with various regulations, licenses, approvals and standards so that its activities do not cause unauthorised environmental harm. Through its ongoing management of environmental activities, the Company has been able to operate in an environmentally sustainable and responsible manner.</p> <p><b>Social:</b> The Company recognises that a failure to manage stakeholder expectations may lead to disruption to the Company's operations. The Company is proud to be involved in and supportive of community groups, organisations and charities in the region in which it operates.</p>

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<b>Principle 8 – Remunerate fairly and responsibly</b>														
<p><b>Recommendation 8.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><b>Yes</b></p>	<p>The Board has established a Remuneration Committee in conjunction with the Nomination Committee. The Committee comprises of the following members:</p> <table border="1" data-bbox="1086 566 2101 694"> <thead> <tr> <th>Director</th> <th>Executive Status</th> <th>Independence Status</th> </tr> </thead> <tbody> <tr> <td>Kevin Dundo – Chair</td> <td>Non-executive Director</td> <td>Yes</td> </tr> <tr> <td>Winnie Lai Hadad</td> <td>Non-executive Director</td> <td>Yes</td> </tr> <tr> <td>Dr Geoffrey Xue</td> <td>Non-executive Director</td> <td>Yes</td> </tr> </tbody> </table> <p>As at the date of this Annual Report, the Remuneration and Nomination Committee consists of 3 Non-executive Directors, which are both independent. The Chair of the Remuneration and Nomination Committee is Kevin Dundo, who is an Independent Non-executive Director.</p> <p>The membership of the Committee throughout the year under review, including their qualifications and experience are disclosed in the Directors Report section of the Company’s 2021 Annual Report. Details on the number of meetings held throughout the year and attendance at those meetings can also be found on page 14 in the Directors Report section of the Company’s 2021 Annual Report.</p> <p>The Remuneration and Nomination Committee Charter which sets out the Committee’s role and responsibilities, composition, structure and membership requirements is available in the Corporate Governance section on the Company’s website.</p>	Director	Executive Status	Independence Status	Kevin Dundo – Chair	Non-executive Director	Yes	Winnie Lai Hadad	Non-executive Director	Yes	Dr Geoffrey Xue	Non-executive Director	Yes
Director	Executive Status	Independence Status												
Kevin Dundo – Chair	Non-executive Director	Yes												
Winnie Lai Hadad	Non-executive Director	Yes												
Dr Geoffrey Xue	Non-executive Director	Yes												
<p><b>Recommendation 8.2</b></p>	<p><b>Yes</b></p>	<p>The Company’s remuneration structure distinguishes between Non-executive Directors and that of Executive Directors and the Senior Executive team. Non-executive Directors are paid fees from an aggregate sum approved by shareholders of the Company.</p>												

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<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>		<p>Remuneration for the Executive Directors and Senior Executives are documented in employment contracts. Details of remuneration, including the Company's policy on remuneration are contained in the Remuneration Report which forms part of the Directors' Report in the Company's 2021 Annual Report.</p>
<p><b>Recommendation 8.3</b></p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><b>Yes</b></p>	<p>Directors and Senior Executives are prohibited from entering into transactions which would limit the economic risk of any unvested entitlements under any equity-based remuneration schemes.</p>