

Zamanco Minerals Limited

Corporate Governance Statement

This statement outlines the Corporate Governance practices adopted by the Board of Directors for the financial year ending 30 June 2018.

The Board of Zamanco Minerals Limited (**Zamanco Minerals** or the **Company**) is committed to conducting the Company's business in accordance with a high standard of corporate governance commensurate with its size, operations and the industry within which it participates. The Board has established a corporate governance framework, including corporate governance policies, procedures and charters to support this commitment. It is the Company's policy to regularly review and update its corporate governance practices to ensure they remain appropriate to the Company's circumstances.

The Directors of Zamanco Minerals are responsible for corporate governance of the Company and support the principles of the ASX Corporate Governance Council's Principles and Recommendations 3rd edition.

In addition to the information contained in this statement, the Company's website www.zamancominerals.com has a dedicated corporate governance section which includes copies of key corporate governance policies adopted by the Company.

The extent to which the Company has complied with the ASX Recommendations during the year ended 30 June 2018, and the main corporate governance practices in place, are set out below.

This statement is current as at 12 September 2018 and has been approved by the Board.

PRINCIPLES AND RECOMMENDATIONS		COMPLY	DISCLOSURE
Principle 1: Lay solid foundations for management and oversight			
<i>A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.</i>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☑	The Company's Corporate Governance Plan includes a Board Charter, which outlines the specific responsibilities of the Board and defines the Board's relationship with Management. The Board, in the absence of a Managing Director/CEO, delegates responsibility for the day-to-day operations and administration of the Company to the Chairman. The Corporate Governance Plan, which includes the Board Charter, is available on the Corporate Governance page of the Company's website.
1.2	A listed entity should: (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.	☑	The Company's Corporate Governance Plan includes a Nomination Committee Charter. The Nomination Committee is responsible for reviewing and considering the structure and balance of the Board and making recommendations regarding appointments, retirements and terms of office of Directors. All material information relevant to whether or not to elect or re-elect a Director is provided to the Company's shareholders as part of the Notice of Meeting and Explanatory Statement for the relevant meeting of shareholders which addresses the election or re-election of a Director. Details of the Directors in office, including their qualifications, experience, date of appointment and their status as Non-Executive, independent or Executive Director are set out in the Directors' Report in the Company's Annual Report. The Corporate Governance Plan, which includes the Nomination Committee Charter, is available on the Corporate Governance page of the Company's website.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☑	Non-executive directors are required to sign a letter of appointment which sets out the key terms and conditions of their appointment, including roles and responsibilities, time commitments and remuneration. Executive directors and other senior executives enter into an employment agreement which governs the terms of their appointment.
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.	☑	The Company Secretary reports directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set	☑	The Company's Corporate Governance Plan includes a Diversity Policy, which provides a framework for maintaining and improving workplace diversity with a particular focus on achieving gender

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<p>measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(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:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(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.</p>		<p>diversity.</p> <p>Due to the size of the Company, the Board does not consider it appropriate at this time, to formally set measurable objectives for gender diversity. The Board continues to monitor diversity and is satisfied with the current level of gender diversity within the Company given the current activities of the Company.</p> <p>As at 30 June 2018, the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board are set out below:</p> <table border="0" data-bbox="906 510 1406 600"> <tr> <td>Whole organisation</td> <td>1 out of 4 (25%)</td> </tr> <tr> <td>Board</td> <td>0 out of 3 (0%)</td> </tr> <tr> <td>Senior Executive</td> <td>0 out of 0 (0%)</td> </tr> </table> <p>For this purpose, "Senior Executive" is defined as a member of Key Management Personnel as outlined in the Remuneration Report in the Company's Annual Report. There are no senior executive positions outside of the Board.</p> <p>The Corporate Governance Plan, which includes the Diversity Policy, is available on the Corporate Governance page of the Company's website.</p>	Whole organisation	1 out of 4 (25%)	Board	0 out of 3 (0%)	Senior Executive	0 out of 0 (0%)
Whole organisation	1 out of 4 (25%)							
Board	0 out of 3 (0%)							
Senior Executive	0 out of 0 (0%)							
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<input checked="" type="checkbox"/>	<p>The Company's Corporate Governance Plan includes a section on performance evaluation practices adopted by the Company. The Corporate Governance Plan, which includes the Board Charter, is available on the Corporate Governance page of the Company's website.</p> <p>The Nomination Committee is responsible for the performance evaluation of the Board, its committees (if any) and its individual Directors on an annual basis. The review will include:</p> <p>(a) comparing the performance of the Board with the requirements of its Charter;</p> <p>(b) examination of the Board's interaction with management;</p> <p>(c) the nature of information provided to the Board by management; and</p> <p>(d) management's performance in assisting the Board to meet its objectives.</p> <p>As the Company has no Nomination Committee, this function was performed by the Board as a whole. There was a formal performance evaluation undertaken during the 2018 financial year. The Board also reviews the performance of the Company and Board on a regular basis.</p>						
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<input checked="" type="checkbox"/>	<p>All senior executives are subject to annual performance evaluations. There are no senior executive positions outside of the Board. Performance reviews were undertaken during the 2018 year for all directors.</p>						
<p>Principle 2: Structure the board to add value <i>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i></p>								
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director; and disclose:</p> <p>(3) the charter of the committee.</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period</p>	<input checked="" type="checkbox"/>	<p>No formal Nomination Committee has been established by the Company. The Board, as a whole, currently serves as the Nomination Committee.</p> <p>The Company's Corporate Governance Plan includes a Nomination Committee Charter. The Corporate Governance Plan is available on the Corporate Governance page of the Company's website.</p> <p>The primary purpose of the Nomination Committee is to support and advise the Board in maintaining a Board with an appropriate mix of skills and experience and ensuring the Board is comprised</p>						

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<p>and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>		<p>of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.</p> <p>The role and functions of a Nomination Committee are undertaken by the full Board. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Nomination Committee. Accordingly, the Board performs the role of Nomination Committee.</p>												
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board is currently has or is looking to achieve in its membership.</p>	<input checked="" type="checkbox"/>	<p>The Board Charter provides that the Board will regularly review the appropriate mix of skills and expertise to facilitate successful strategic direction.</p> <p>In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgment, to commit the necessary time to fulfill the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.</p> <p>The Company provides details of each Director, such as their skills, experience and expertise relevant to their position in the Directors' Report in the Annual Report and also provides these details on its website.</p> <p>The table below details the areas of competence and skills of the Board of Directors. The current collective experience, skills and attributes of the Board will be reviewed in conjunction with material changes to the Company's operating requirements and strategy.</p> <table border="1" data-bbox="906 1093 1538 1608"> <thead> <tr> <th colspan="2">Areas of competence and skills of the Board of Directors</th> </tr> </thead> <tbody> <tr> <td>Business & Finance</td> <td>Accounting, Audit, Business Strategy, Corporate Financing, Financial Literacy, Mergers & Acquisitions, Agreements/Fiscal Terms, and Risk Management</td> </tr> <tr> <td>Industry Specific</td> <td>Precious Metals - Exploration, development and production, Capital Projects, Industrials, and Petroleum exploration</td> </tr> <tr> <td>Leadership</td> <td>Business Leadership, Public Listed Company Experience, Executive Management and Mentoring</td> </tr> <tr> <td>Sustainability & Stakeholder Relations</td> <td>Community Relations, Corporate Governance, Environmental Issues, Government Affairs, Health & Safety, Human Resources, Industrial Relations and Remuneration</td> </tr> <tr> <td>Global</td> <td>Mining & Resources, Accounting and Processing</td> </tr> </tbody> </table> <p>The Board is of the view that the current Board possesses an appropriate mix of skills, experience and knowledge to enable the Board to discharge its responsibilities and deliver on corporate objectives and governance.</p>	Areas of competence and skills of the Board of Directors		Business & Finance	Accounting, Audit, Business Strategy, Corporate Financing, Financial Literacy, Mergers & Acquisitions, Agreements/Fiscal Terms, and Risk Management	Industry Specific	Precious Metals - Exploration, development and production, Capital Projects, Industrials, and Petroleum exploration	Leadership	Business Leadership, Public Listed Company Experience, Executive Management and Mentoring	Sustainability & Stakeholder Relations	Community Relations, Corporate Governance, Environmental Issues, Government Affairs, Health & Safety, Human Resources, Industrial Relations and Remuneration	Global	Mining & Resources, Accounting and Processing
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Global	Mining & Resources, Accounting and Processing													
<p>2.3 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, association or relationship that might cause doubt about the independence as 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, association 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>	<input checked="" type="checkbox"/>	<p>The Company currently has no independent directors.</p> <p>The Board believes that the Directors can make, and do make, quality and independent judgements in the best interests of the Company on all relevant issues, notwithstanding that they are not independent. The number of Directors is maintained at a level which will enable effective spreading of workload and efficient decision making.</p>												
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<input checked="" type="checkbox"/>	<p>Currently the Board has three Directors, none of which are independent directors. The Board believes that the Directors can</p>												

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			make, and do make, quality and independent judgements in the best interests of the Company on all relevant issues, notwithstanding that they are not independent. The number of Directors is maintained at a level which will enable effective spreading of workload and efficient decision making.
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.	<input checked="" type="checkbox"/>	The Chairman, Mr Geoff Donohue, is not an independent Director. However, the Board believes Mr Donohue is the most appropriate person for the position of Chairman because of his experience and proven track record as a public company director.
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.	<input checked="" type="checkbox"/>	The Company's Corporate Governance Plan includes a Board Charter, which provides for the induction and professional development for the Board. The Corporate Governance Plan is available on the Corporate Governance page of the Company's website.
Principle 3: Act ethically and responsibly			
<i>A listed entity should act ethically and responsibly.</i>			
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.	<input checked="" type="checkbox"/>	The Company's Corporate Governance Plan includes a Corporate Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders. The Corporate Governance Plan, which includes the Corporate Code of Conduct, is available on the Corporate Governance page of the Company's website.
Principle 4: Safeguard integrity in financial reporting			
<i>A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.</i>			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual 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 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.	<input checked="" type="checkbox"/>	The Company's Corporate Governance Plan includes an Audit & Risk Committee Charter. The Corporate Governance Plan is available on the Corporate Governance page of the Company's website. The role and functions of an Audit and Risk Committee are undertaken by the full Board. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Audit and Risk Committee. Accordingly, the Board performs the role of Audit and Risk Committee.
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.	<input checked="" type="checkbox"/>	The CEO and CFO declaration is provided to the Board prior to the sign-off of the full-year financial statements, the half-year financial statements, and Quarterly Cash Flow reports. As the Company has no CEO, the Chairman and CFO currently provide the required declarations.

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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.	✔	The Company invites the auditor to attend its AGM to answer questions from security holders relevant to the audit.
Principle 5: Make timely and balanced disclosure <i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i>		
5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose the policy or a summary of it.	✔	The Company's Corporate Governance Plan includes a summary of the continuous disclosure policy. The Corporate Governance Plan is available on the Corporate Governance page of the Company's website. The focus of the policy is on continuous disclosure compliance with the ASX Listing Rules and improving access to information for investors.
Principle 6: Respect the rights of security holders <i>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.</i>		
6.1 A listed entity should provide information about itself and its governance to investors via its website.	✔	The Company's website provides information about itself and its governance for investors.
6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	✔	The Company encourages security holders to attend and participate in general meetings and makes itself available to security holders to meet or discuss by telephone or email any matters they wish to raise.
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.	✔	The Company encourages security holders to attend and participate in general meetings.
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.	✔	The Company's share registry provides security holders with the option to receive communications electronically. The website provides communication details for the Company's Share Registry, including an email address for shareholder enquiries.
Principle 7: Recognise and manage risk <i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</i>		
7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least 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.	✔	The Company's Corporate Governance Plan includes a risk management policy. The Corporate Governance Plan is available on the Corporate Governance page of the Company's website. The Board determines the Company's "risk profile" and is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The Board has responsibility for implementing the risk management system. The role and functions of an Audit and Risk Committee are undertaken by the full Board. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Audit and Risk Committee. Accordingly, the Board performs the role of Audit and Risk Committee.
7.2 The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	✔	The Company's Corporate Governance Plan includes a risk management policy. The Corporate Governance Plan is available on the Corporate Governance page of the Company's website. The Board will review assessments of the effectiveness of risk management and internal compliance and control on an annual basis. The Board meets on a regular basis to discuss the operating activities of the Company. As part of this, all risks are considered including but not limited to strategic, operational, legal, reputation and financial risks. The Board review the Risk Register on a regular basis.

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		The Board reviewed the Risk Management Framework, including the policies, procedures and the Company's Risk Register during the 2018 financial year.
<p>7.3 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; and</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 risk management and internal control processes.</p>	<input checked="" type="checkbox"/>	<p>Due to the size of the Company, the Board does not consider it necessary at this time, to formally implement an internal audit function. The Board continually monitors the risk management and internal control processes adopted by the Company to ensure they are appropriate to the operations of the Company.</p> <p>The Board is satisfied with the current level of risk, risk management and control monitoring processes currently in place for the Company.</p>
<p>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.</p>	<input checked="" type="checkbox"/>	<p>The Company's Business Risk Register identifies the material risks for the Company. These risks include the inability to identify and progress a transaction of merit to become the Company's main undertaking and the failure to raise future capital.</p> <p>The Business Risk Register records all current controls in place to minimise the risks, and identifies the overall control effectiveness.</p>
<p>Principle 8: Remunerate fairly and responsibly <i>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.</i></p>		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee, which:</p> <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, 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 <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>	<input checked="" type="checkbox"/>	<p>The Company's Corporate Governance Plan includes a Remuneration Committee Charter. The Corporate Governance Plan is available on the Corporate Governance page of the Company's website.</p> <p>The key responsibilities for the Committee is to support and advise the Board in fulfilling its responsibility to security holders by:</p> <ol style="list-style-type: none"> (a) reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders; (b) ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration; (c) recommending to the Board the remuneration of executive Directors; (d) fairly and responsibly rewarding executives having regard to the performance of the Company, the performance of the executive and the prevailing remuneration expectations in the market; (e) Reviewing the Company's recruitment, retention and termination policies and procedures for senior management; (f) reviewing and approving the remuneration of Director reports to the Managing Director, and as appropriate other senior executives; and (g) reviewing and approving any equity based plans and other incentive schemes. <p>The role and functions of a Remuneration Committee are undertaken by the full Board. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Remuneration Committee. Accordingly, the Board performs the role of Remuneration Committee.</p>
<p>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.</p>	<input checked="" type="checkbox"/>	<p>Remuneration of the Company's Non-Executive Directors, Executive Directors and senior executives is set out in the Company's Remuneration Report (which forms part of the Directors' Report) in the Company's Annual Report.</p>

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<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <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. 	<input checked="" type="checkbox"/>	<p>The Company does not have an equity-based remuneration scheme.</p>