

## CORPORATE GOVERNANCE STATEMENT

### IKWEZI MINING LIMITED

## CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out Ikwezi Mining Limited's (the **Company**) compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**).

The Company follows all of the ASX Recommendations except as outlined in this statement. The Company has provided detailed information in its prospectus to investors in relation to the structure, composition and responsibilities of the Company's board of directors (**Board**) and its committees along with details of Company policies and other corporate governance documentation approved by the Board.

The Board currently comprises one Non-Executive Director and two Executive Directors. The chairman of the Board is currently a Non-Executive Director. None of the Directors are considered by the Board to be independent based on the criteria outlined in the definition of independence adopted by the Company.

As a result of this Board structure, the Company does not currently comply with the following ASX Recommendations:

- ASX Recommendation 2.1: A majority of the board should be independent directors.
- ASX Recommendation 2.2: The chair should be an independent director.
- ASX Recommendation 4.2: The audit committee should be structured so that it: consists only of non-executive directors; consists of a majority of independent directors; is chaired by an independent chair, who is not chair of the board; and has at least three members.
- ASX Recommendation 8.2: The remuneration committee should be structured so that it: consists of a majority of independent directors; is chaired by an independent chair; and has at least three members.

The Company intends to work towards complying with the above ASX Recommendations and is seeking to appoint two suitably qualified independent Non-Executive Directors following listing on the ASX, one of which is to be appointed chair of the Board, as soon as appropriate candidates are identified. The Board intends to appoint these independent Non-Executive Directors to the Audit Committee and Remuneration and Nomination Committee, upon which the current Directors on those committees will step down from those committees.

Upon the above occurring, the Company will comply with each of the above ASX Recommendations other than the part of ASX Recommendation 4.2 that requires the Company's audit committee to have three members. The Company does not consider compliance with this part of the ASX Recommendation 4.2 appropriate for the Company having regard to the size and scale of its operations and the desire to constitute its audit committee solely of independent Non-Executive Directors.

A table outlining the Company's current compliance with each ASX Recommendation is set out below.

The Company has made copies of its corporate governance charters, policies and documents available in a governance section of the Company's website at [www.ikwezimining.com](http://www.ikwezimining.com). The Company will provide a statement in its future annual reports disclosing the extent to which the Company has followed the ASX Recommendations.

Dated: 15 July 2011

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ASX Recommendation	Comply (Yes/No)	Explanation
<b>PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
<b>ASX Recommendation 1.1:</b> Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	Yes	The Board has adopted a formal charter that details the respective board and management functions and responsibilities. A copy of this board charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> .
<b>ASX Recommendation 1.2:</b> Companies should disclose the process for evaluating the performance of senior executives.	Yes	<p>The Board has adopted a performance evaluation policy, which provides that the Remuneration and Nomination Committee will arrange an annual performance evaluation of senior executives of the Company and that an independent adviser may be used.</p> <p>This evaluation will be based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel. Each senior executive's performance will be assessed against his or her designated roles and responsibilities.</p> <p>A copy of the performance evaluation policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<b>ASX Recommendation 1.3:</b> Companies should provide the information indicated in the Guide to reporting on Principle 1.	This recommendation relates to the Company's future annual reports	<p>The Company will include in the corporate governance statement in its future annual reports an explanation of any departure from ASX Recommendations 1.1, 1.2 or 1.3 (if any) and whether a performance evaluation for senior executives has taken place in the reporting period and whether it was in accordance with the process disclosed.</p> <p>The Board has adopted a formal charter, which sets out matters reserved for the Board and the areas of delegated authority to management. A copy of this board charter is available in the governance section of the</p>

ASX Recommendation	Comply (Yes/No)	Explanation
		Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> .
<b>PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE</b>		
<p><b>ASX Recommendation 2.1:</b> A majority of the board should be independent directors.</p>	No	<p>The Board currently comprises one Non-Executive Director and two Executive Directors. None of the Directors are considered by the Board to be independent based on the criteria outlined in the definition of independence adopted by the Company.</p> <p>In particular, the Board does not consider a Director to be independent unless he or she:</p> <ul style="list-style-type: none"> <li>• holds an interest of less than 5% of the voting shares of the Company and is not an officer of a shareholder with an interest in more than 5% of the voting shares of the Company (which is the reason why the Board does not consider the only Non-Executive Director (being the Chairman of the Company) to be independent); and</li> <li>• within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment (which is the reason why the Board does not consider the Executive Directors to be independent).</li> </ul> <p>The Company intends to work towards complying with this ASX Recommendations and is seeking to appoint two suitably qualified independent Non-Executive Directors following listing on the ASX as soon as appropriate candidates are identified.</p> <p>A copy of the definition of independence adopted by the Company is available in the governance section of the Company's website at</p>

ASX Recommendation	Comply (Yes/No)	Explanation
		<a href="http://www.ikwezimining.com">www.ikwezimining.com</a> .
<b>ASX Recommendation 2.2:</b> The chair should be an independent director.	No	<p>The Chairman of the Company, Mr Simon Hewetson, is not considered to be an independent director by the Board based on the criteria outlined in the definition of independence adopted by the Company. This is because the Chairman does not hold an interest of less than 5% of the voting shares of the Company.</p> <p>As noted above, following listing on the ASX, the Board will seek to appoint two suitably qualified independent Non-Executive Directors once suitable candidates are identified. The Company intends that one of these appointees will be appointed chair of the Board.</p>
<b>ASX Recommendation 2.3:</b> The roles of chair and chief executive officer should not be exercised by the same individual.	Yes	The role of chair of the Board is exercised by Mr Simon Hewetson. The role of managing director is exercised by Mr David Pile.
<b>ASX Recommendation 2.4:</b> The board should establish a nomination committee.	Yes	<p>The Board has established a Remuneration and Nomination Committee and adopted a charter that sets out the remuneration and nomination committee's role and responsibilities, composition and membership requirements. Currently, Mr David Pile (chair), Mr Simon Hewetson and Mr Ranaldo Anthony serve on the Remuneration and Nomination Committee.</p> <p>A copy of the charter of the Remuneration and Nomination Committee is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p><b>ASX Recommendation 2.5:</b> Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.</p>	Yes	<p>The Company's board charter outlines the process for evaluating the performance of the Board. This provides that, once a year, the Board shall hold a meeting to review critically and discuss the performance of the Board as a whole, its Committees and individual Directors. If it is apparent that these are problems which cannot be satisfactorily considered by the Board itself, the Board may decide to engage an independent adviser to undertake this review.</p> <p>The Company's Remuneration and Nomination Committee is also required to arrange an annual performance evaluation of the Board, its committees and individual Directors.</p> <p>Copies of the board charter and the charter of the Remuneration and Nomination Committee are available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<p><b>ASX Recommendation 2.6:</b> Companies should provide the information indicated in the Guide to reporting on Principle 2.</p>	Will comply (note this recommendation relates to the Company's future annual reports)	<p>The Company will include in the corporate governance statement in its future annual reports the information indicated in the Guide to reporting on Principle 2. However, where applicable, the following information is provided as at the date of this statement:</p> <ul style="list-style-type: none"> <li>• The skills, experience and expertise relevant to the position of each Director are set out in section 6.1 of the Company's prospectus.</li> <li>• The Board does not consider any of the Directors to constitute independent directors for the reasons outlined in relation to ASX Recommendation 2.1 above. The criteria and materiality thresholds for determining whether a Director is independent are set out in the definition of independence adopted by the Company, a copy of</li> </ul>

ASX Recommendation	Comply (Yes/No)	Explanation
		<p>which is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p> <ul style="list-style-type: none"> <li>• The Company's board charter provides that the Board, Board committees and individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairman of the Board. A copy of any such advice received will be made available to all members of the Board.</li> <li>• The Company's Nomination and Remuneration Committee charter requires the Nomination and Remuneration Committee to identify and recommend to the Board candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company.</li> <li>• Mr Simon Hewetson and Mr David Pile were appointed Directors following the incorporation of the Company in May 2011. Mr Ranaldo Anthony was appointed as a Director in June 2011.</li> <li>• Currently, Mr David Pile (chair), Mr Simon Hewetson and Mr Ranaldo Anthony serve on the Remuneration and Nomination Committee.</li> <li>• The board charter and charter of the Remuneration and Nomination Committee together set out the policy and procedure for the selection and appointment of new. Copies of each of these charters are available in the governance section of the Company's</li> </ul>

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		website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> .
<b>PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING</b>		
<p><b>ASX Recommendation 3.1:</b> Companies should establish a code of conduct and disclose the code or a summary of the code as to:</p> <ul style="list-style-type: none"> <li>• the practices necessary to maintain confidence in the company's integrity;</li> <li>• the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and</li> <li>• the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.</li> </ul>	Yes	<p>The Company has established a code of conduct that sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from Directors and employees.</p> <p>A copy of the Company's code of conduct is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<p><b>ASX Recommendation 3.2:</b> Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.</p>	Yes	<p>The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality, diversity and skills of its people.</p> <p>The Board does not consider that at this stage it is appropriate for the Company to implement a diversity policy that aligns completely with the ASX Recommendations as it is already required to comply with the diversity requirements under the Broad Based Socio-Economic Empowerment Charter, September 2010 (<b>Mining Charter</b>), published and implemented by the South African Department of Mineral Resources.</p>



ASX Recommendation	Comply (Yes/No)	Explanation
		<p>The Mining Charter aims at facilitating participation of historically disadvantaged South Africans (<b>HDSAs</b>) in the mining and minerals industry by providing specific targets that must be met by 2014 in order to effect complete transformation and promote sustainable development and growth of the industry. HDSAs are defined as “any person, category of persons or community, disadvantaged by unfair discrimination” on the basis of race, gender or disability and includes females generally as well as specified racial groups.</p> <p>Amongst other things, under the Mining Charter, in furtherance of employment equity targets, a holder of a mining right must reach 40% HDSA representation at all levels of management and core skills by no later than 2014.</p>
<p><b>ASX Recommendation 3.3:</b> Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.</p>	<p>This recommendation relates to the Company’s future annual reports</p>	<p>The Company has not yet set measurable objectives for achieving gender diversity. The Board will consider these and disclose its position in its next annual report.</p>
<p><b>ASX Recommendation 3.4:</b> Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.</p>	<p>This recommendation relates to the Company’s future annual reports</p>	<p>The Company will include in the corporate governance statement in its future annual reports the proportion of women employees in its group, women in senior executive positions and women on the Board.</p>
<p><b>ASX Recommendation 3.5:</b> Companies should provide the information indicated in the Guide to reporting on Principle 3.</p>	<p>This recommendation relates to the</p>	<p>The Company will include in the corporate governance statement in its future annual reports an explanation of any departure from ASX Recommendations 3.1, 3.2, 3.3, 3.4 or 3.5.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
	Company's future annual reports	Copies of the Company's code of conduct and position on diversity policy are available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> .
<b>PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING</b>		
<b>ASX Recommendation 4.1:</b> The board should establish an audit committee.	Yes	<p>The Board has established an Audit Committee and adopted a charter that sets out the Audit Committee's purpose, composition, duties and responsibilities. The role of the Audit Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance.</p> <p>A copy of the charter of the Audit Committee is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<p><b>ASX Recommendation 4.2:</b> The audit committee should be structured so that it:</p> <ul style="list-style-type: none"> <li>consists only of non-executive directors;</li> <li>consists of a majority of independent directors;</li> <li>is chaired by an independent chair, who is not chair of the board; and</li> <li>has at least three members.</li> </ul>	No	<p>The current structure of the Company's Audit Committee does not meet the requirements of Recommendation 4.2. This is because only Mr David Pile (chair) and Mr Ranaldo Anthony serve on the Audit Committee, both of whom are Executive Directors who are not considered by the Board to be independent based on the criteria outlined in the definition of independence adopted by the Company.</p> <p>The Board is committed to good corporate governance and will seek to achieve the Audit Committee composition requirements set out in ASX Recommendation 4.2 other than that part of the recommendation that recommends an audit committee have at least three members, which the Board does not consider is appropriate at this stage due to the size and scale of the Company's current operations, the composition of the Board and the desire to have only independent Non-Executive Directors appointed to the Audit Committee.</p>

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		The Company is seeking to appoint two suitably qualified independent Non-Executive Directors following listing on the ASX as soon as appropriate candidates are identified. The Company intends that these independent Non-Executive Directors be appointed to the Audit Committee to replace the existing members.
<b>ASX Recommendation 4.3:</b> The audit committee should have a formal charter.	Yes	The Board has adopted a formal charter that details the Audit Committee's purpose, composition, duties and responsibilities. A copy of the charter of the Audit Committee is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> .
<b>ASX Recommendation 4.4:</b> Companies should provide the information indicated in the Guide to reporting on Principle 4.	This recommendation relates to the Company's future annual reports	<p>The Company will include in the corporate governance statement in its future annual reports an explanation of any departure from ASX Recommendations 4.1, 4.2, 4.3 or 4.4 (if any), the number of meetings of the Audit Committee and the names and qualifications of those appointed to the Audit Committee and their attendance at meetings of the committee.</p> <p>The Board has adopted a formal charter of the Audit Committee, which provides information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners. A copy of this charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<b>PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE</b>		
<b>ASX Recommendation 5.1:</b> Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of	Yes	The Company has established a continuous disclosure policy which is designed to guide compliance with ASX Listing Rule disclosure requirements and to ensure that all directors, senior executives and employees of the Company understand their responsibilities under the policy. The Board has designated the Managing Director and the Company

ASX Recommendation	Comply (Yes/No)	Explanation
those policies.		<p>Secretary as the persons responsible for ensuring that this policy is implemented and enforced and that all required price sensitive information is disclosed to the ASX as required.</p> <p>In accordance with the Company's continuous disclosure policy, all information provided to ASX for release to the market will be posted to its website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> after ASX confirms an announcement has been made.</p> <p>A copy of the continuous disclosure policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<p><b>ASX Recommendation 5.2:</b> Companies should provide the information indicated in the Guide to reporting on Principle 5.</p>	<p>This recommendation relates to the Company's future annual reports</p>	<p>The Company will include in the corporate governance statement in its future annual reports an explanation of any departure from ASX Recommendations 5.1 or 5.2 (if any).</p> <p>The Company has established a continuous disclosure policy which is designed to guide compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance. A copy of the continuous disclosure policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<b>PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS</b>		
<p><b>ASX Recommendation 6.1:</b> Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.</p>	<p>Yes</p>	<p>The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company has designed a shareholder communication policy which outlines the Company's commitment to:</p> <ul style="list-style-type: none"> <li>communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;</li> </ul>

ASX Recommendation	Comply (Yes/No)	Explanation
		<ul style="list-style-type: none"> <li>• giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;</li> <li>• encouraging shareholders to participate in general meetings of the Company; and</li> <li>• requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.</li> </ul> <p>A copy of the shareholder communication policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<p><b>ASX Recommendation 6.2:</b> Companies should provide the information indicated in the Guide to reporting on Principle 6.</p>	<p>This recommendation relates to the Company's future annual reports</p>	<p>The Company will include in the corporate governance statement in its future annual reports an explanation of any departure from ASX Recommendations 6.1 or 6.2 (if any) and a description of how it will communicate with its shareholders publicly.</p> <p>The Company has provided information about the Company generally for the benefit of its shareholders and market participants (among others) on the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> and all information provided to ASX for release to the market will be posted to its website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a> after ASX confirms an announcement has been made.</p>
<b>PRINCIPLE 7: RECOGNISE AND MANAGE RISK</b>		
<p><b>ASX Recommendation 7.1:</b> Companies should establish policies for the oversight and management of material</p>	<p>Yes</p>	<p>The Company is committed to the identification, monitoring and management of risks associated with its business activities and has established policies in relation to the implementation of practical and</p>

ASX Recommendation	Comply (Yes/No)	Explanation
business risks and disclose a summary of those policies.		<p>effective control systems. The Company has established a risk management policy, a copy of which is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p> <p>The Board is responsible for ensuring that sound risk management strategy and policies are in place. The Board has delegated to the Risk Committee responsibility for identifying and overseeing major risk areas and that systems are in place to manage them, and report to the Board as and when appropriate. The Risk Committee is required to develop and maintain a risk register that identifies the risks to the Company and its operation and assesses the likelihood of their occurrence. The risk register will be updated periodically and presented to the Board for its consideration at least twice a year. The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back quarterly to the Risk Committee on whether those risks are being managed effectively.</p> <p>The Board has adopted a charter of the Risk Committee that defines the Risk Committee's purpose, composition, duties and responsibilities. A copy of the charter of the risk management policy is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p> <p>As addressed above, the Board has established an Audit Committee that is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance. A copy of the charter of the Audit Committee is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<b>ASX Recommendation 7.2:</b> The board should require management to design and implement the risk management and internal control system to manage the	Yes	Under the Company's risk management policy, the responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to

ASX Recommendation	Comply (Yes/No)	Explanation
<p>company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.</p>		<p>assess risk management and associated internal compliance and control procedures and report back quarterly to the Risk Committee on whether those risks are being managed effectively.</p> <p>The Board intends to disclose that management has reported to it as to the effectiveness of the company's management of its material business risks in accordance with the above procedure.</p>
<p><b>ASX Recommendation 7.3:</b> The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.</p>	<p>This recommendation relates to the Company's future annual reports</p>	<p>The Company has not yet been required to lodge an annual report and as a result no declaration or assurance in relation to it has been made. The Company intends to disclose that it has received the assurance required by ASX Recommendation 7.3 in its future annual reports.</p>
<p><b>ASX Recommendation 7.4:</b> Companies should provide the information indicated in the Guide to reporting on Principle 7.</p>	<p>This recommendation relates to the Company's future annual reports</p>	<p>The Company will include in the corporate governance statement in its future annual reports an explanation of any departure from ASX Recommendations 7.1, 7.2, 7.3 or 7.4 (if any), whether the Board has received the report from management under ASX Recommendation 7.2, and whether the Board has received assurance from Managing Director and the Chief Financial Officer under ASX Recommendation 7.3.</p> <p>Both a summary and copies of the Company's risk management policy, charter of the Audit Committee and the charter of the Risk Committee is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<b>PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY</b>		
<p><b>ASX Recommendation 8.1:</b> The board should establish a remuneration committee.</p>	Yes	<p>The Board has established a Remuneration and Nomination Committee to support and advise the Board in fulfilling its responsibilities to shareholders. The role of the Remuneration and Nomination Committee includes attending to matters related to the Company's remuneration policy to enable the Company to attract and retain executives who will create value for shareholders and to arrange annual performance evaluations of those executives. The Remuneration and Nomination Committee also attends to matters relating to succession planning and recommends candidates for election or re-election to the Board. The Remuneration and Nomination Committee will identify and recommend candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company.</p> <p>The Board has adopted a charter that defines the Remuneration and Nomination Committee's purpose, composition, duties and responsibilities. A copy of this charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p>
<p><b>ASX Recommendation 8.2:</b> The remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> <li>• consists of a majority of independent directors;</li> <li>• is chaired by an independent chair; and</li> <li>• has at least three members.</li> </ul>	No	<p>The current structure of the Company's Remuneration and Nomination Committee does not meet the requirements of ASX Recommendation 8.2. This is because only Mr David Pile (chair), Mr Simon Hewetson and Mr Ranaldo Anthony serve on the Audit Committee, none of whom are considered by the Board to be independent based on the criteria outlined in the definition of independence adopted by the Company.</p> <p>The Board is committed to good corporate governance and will seek to</p>



ASX Recommendation	Comply (Yes/No)	Explanation
		<p>achieve the Remuneration and Nomination Committee composition requirements set out in ASX Recommendation 8.2.</p> <p>The Company is seeking to appoint two suitably qualified independent Non-Executive Directors following listing on the ASX as soon as appropriate candidates are identified. The Company intends that these independent Non-Executive Directors be appointed to the Remuneration and Nomination Committee to replace two of the existing members.</p>
<p><b>ASX Recommendation 8.3:</b> Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.</p>	Yes	<p>Mr Simon Hewetson is currently the only Non-Executive Director of the Company. Mr Hewetson is not currently paid in relation to his role as Chairman or Non-Executive Director. The Company may revisit this position and intends to do so if and when the Company commences income earning operations.</p> <p>The Board has proposed that the further Non-Executive Directors appointed by the Company in future will be paid fixed fees for their services to the Company, not exceeding in aggregate the maximum sum fixed by shareholders of the Company.</p> <p>Executives of the Company typically receive remuneration comprising a base salary component and other fixed benefits based on the terms of their employment agreements with the Company or its subsidiaries and potentially the ability to participate in bonus arrangements and the Company's option plan described in section 11.5 of the Company's prospectus.</p> <p>Under the charter of the Remuneration and Nomination Committee, the Remuneration and Nomination Committee must:</p> <ul style="list-style-type: none"> <li>review and approve the Company's recruitment, retention and termination policies and procedures for senior executives to enable the Company to attract and retain executives and Directors who</li> </ul>

ASX Recommendation	Comply (Yes/No)	Explanation
		<p>can create value for shareholders;</p> <ul style="list-style-type: none"> <li>• implement and subsequently review the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs;</li> <li>• ensure that any remuneration policies fairly and responsibly reward executives having regard to the performance of the Company, the performance of the executive and prevailing remuneration expectations in the market;</li> <li>• consider and make recommendations to the Board on the remuneration for each Executive Director (including base pay, incentive payments, equity awards, retirement rights, termination payments, service contracts) having regard to the executive remuneration policy;</li> <li>• review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for the direct reports to the Managing Director. As part of this review the Remuneration and Nomination Committee will oversee an annual performance evaluation of the executive team;</li> <li>• implement and subsequently review the on-going appropriateness and relevance of the non-executive remuneration policy; and</li> <li>• consider and make recommendations to the Board on the remuneration for each Non-Executive Director (as distinct from the remuneration structures of Executive Directors and senior executives) having regard to the non-executive remuneration policy.</li> </ul>
<p><b>ASX Recommendation 8.4:</b> Companies should provide the information indicated in the Guide to reporting on</p>	<p>This recommendation</p>	<p>The Company will include in the corporate governance statement in its</p>

ASX Recommendation	Comply (Yes/No)	Explanation
Principle 8.	relates to the Company's future annual reports	<p>future annual reports:</p> <ul style="list-style-type: none"> <li>• an explanation of any departure from ASX Recommendations 8.1, 8.2, 8.3 or 8.4 (if any);</li> <li>• the existence and terms of any schemes for retirement benefits, other than superannuation, for non-executive directors; and</li> <li>• the names of the members of the remuneration committee and their attendance at meetings of the committee, or where a company does not have a remuneration committee, how the functions of a remuneration committee are carried out.</li> </ul> <p>The Board has adopted a formal charter of the Remuneration and Nomination Committee, which defines the Remuneration and Nomination Committee's purpose, composition, duties and responsibilities. A copy of this charter is available in the governance section of the Company's website at <a href="http://www.ikwezimining.com">www.ikwezimining.com</a>.</p> <p>The Company will determine, and then intends to make publically available on the Company's website a summary of, the Company's policy on prohibiting executives entering into transactions in associated products that limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes made available by the Company.</p>