



15 July 2011

IKWEZI MINING LIMITED – PRE-QUOTATION DISCLOSURE

The following information is required to be provided to ASX Limited for release to the market in connection with the official quotation of the fully paid ordinary shares in Ikwezi Mining Limited ARBN 151 258 221 (**Ikwezi Mining** or **Company**).

Certain capitalised terms used in this notice have the same meaning as defined in the Ikwezi Mining prospectus dated 15 June 2011 (**Prospectus**).

1. CONFIRMATION OF ALLOTMENT AND RECEIPT OF CLEARED FUNDS

All Shares subscribed for under the Offer were allotted on 12 July 2011. Ikwezi Mining has received cleared funds for the complete amount of the issue price of all Shares subscribed for and allotted under the Offer.

2. DESPATCH OF HOLDING STATEMENTS

The despatch of all CHESS and issuer sponsored holding statements was completed on 14 July 2011.

3. REFUNDS

As all applications under the Offer were accepted in full, no refunds are due to Applicants..

4. INDICATIVE STATEMENT OF THE 20 LARGEST SHAREHOLDERS

Please refer to **Annexure A** for an statement of the 20 largest shareholders of Ikwezi Mining.

5. INDICATIVE DISTRIBUTION OF SHAREHOLDERS STATEMENT

Please refer to **Annexure B** for a statement of the numbers of shareholders of Ikwezi Mining in the form contained in Appendix 1A, paragraph 48, of the ASX Listing Rules.

6. TERMS AND CONDITIONS OF OPTION PLAN

A copy of the terms of the Ikwezi Mining Option Plan has been provided to ASX contemporaneously with this pre-quotation disclosure.

Ikwezi Mining has issued 2,000,000 to each of Mr David Pile and Mr Ranaldo Anthony under the Ikwezi Mining Option Plan as set out in section 11.6(b) of the Prospectus. The Options are granted on the terms of the Ikwezi Mining Option Plan and as follows:

- (a) Each Option entitles the holder to subscribe for one Share at an exercise price of A\$0.30.
- (b) The Options are exercisable at any time on or before 5.00 pm (WST) on 31 December 2012 by completing a notice of exercise together with the payment for the number of Shares in respect of which the Options are exercised.

- For personal use only
- (c) All Shares issued upon exercise of the Options will be allotted within 10 business days after the receipt of a properly executed notice of exercise and the application monies in respect of the exercise.
 - (d) Shares issued pursuant to the exercise of Options will rank pari passu in all respects with then existing Shares. Subject to the Listing Rules, the Company will apply to ASX for quotation of all Shares issued on exercise of the Options.
 - (e) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered or made available to Shareholders in respect of their new Options.
 - (f) In the event of any reconstruction (including a consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of holders of Options will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation.
 - (g) Options not exercised by 5.00 pm (WST) on 31 December 2012 will lapse. There is no obligation to exercise Options.

These Options will be subject to restriction agreements in accordance with clause 1 of Appendix 9B to the Listing Rules for a period of 24 months from the commencement of official quotation of the Shares on ASX.

7. CONFIRMATION OF GRANT OF OPTIONS TO EUROZ SECURITIES LTD

Pursuant to the underwriting agreement entered into by Ikwezi Mining Limited and Euroz Securities Ltd for the underwriting of the Offer by Euroz Securities Ltd, Ikwezi Mining Limited confirms that it has granted 1 million Options to Euroz Securities Ltd on the terms outlined in Section 11.6(c) of the Prospectus.

8. ESCROWED SHARES

As a condition of listing, ASX has classified certain Shares and Options as restricted securities, and has required certain Share and Option holders to enter into mandatory restriction agreements in accordance with Appendix 9B to the Listing Rules in relation to a portion of their Shares. Refer to **Annexure C** for a breakdown of the number of Shares and Options subject to mandatory restriction agreements and the escrow period applied to those Shares.

9. SECURITIES TRADING POLICY

A copy of Ikwezi Mining's securities trading policy is set out in **Annexure D**.

10. CORPORATE GOVERNANCE STATEMENT

A copy of Ikwezi Mining's securities trading policy is set out in **Annexure E**.

11. CONFIRMATION OF PRO FORMA BALANCE SHEET

A pro forma unaudited statement of financial position of Ikwezi Mining is set out in section 8.2 of the Prospectus. This illustrated the position of Ikwezi Mining on the assumption that the following transactions had occurred as at 31 May 2011:

- (a) the issue pursuant to the Prospectus of 150,000,000 Shares at A\$0.20 per Share raising A\$30,000,000 cash;
- (b) the payment and recognition in equity of share issue costs of A\$1,929,840 in connection with the Offer as follows:
 - (i) A\$1,500,000 in cash representing a 5% management and underwriting fee payable to Euroz Securities Ltd;

- (ii) A\$28,000 represented by the issue of 1,000,000 Options to Euroz Securities Ltd in its role as lead manager and underwriter; and
- (iii) A\$401,840 in cash representing legal and compliance costs, of which A\$401,840 was incurred prior to 31 May 2011 and recorded as a current asset (other) and current payable; and
- (c) the issuance of 4,000,000 Options to employees of the Company in accordance with the Ikwezi Mining Option Plan valued at A\$112,000.

The Company confirms that the above transactions have now occurred and, accordingly, the pro forma unaudited statement of financial position of Ikwezi Mining as set out in section 8.2 of the Prospectus as at 31 May 2011, assuming those transactions had occurred as at 31 May 2011, is confirmed.

12. CONFIRMATION OF USE OF FUNDS

As the full amount sought to be raised under the Offer has now been raised, the Company confirms its proposed use of funds and spending commitments is as set out in section 1.2 of the Prospectus.

13. DETAILS OF KNOWN SUBSTANTIAL SHAREHOLDERS

As at the date of this pre-quotation disclosure, the Company is aware of the following substantial shareholders in the Company:

- (a) Each of Belvedere Mining Holdings Inc, Golden Rye Foundation, Mr David John Pile and Mr Simon Anthony Hewetson are substantial holders in the Company within the meaning of section 671B of the Corporations Act 2011 (Cth) due to and in respect of the 170,000,000 Shares held by Belvedere Mining Holdings Inc. Each such person became a substantial holder for these purposes on 10 May 2011. Mr David John Pile also has an interest in 2,000,000 Options (see paragraph 6 above).
- (b) Euroz Limited and each of its controlled entities, including Euroz Securities Ltd, Zero Nominees Pty Ltd, Detail Nominees Pty Ltd and Westoz Funds Management Pty Ltd, are substantial holders in the Company within the meaning of section 671B of the Corporations Act 2011 (Cth) due to and in respect of the 31,273,750 Shares held by Zero Nominees Pty Ltd. Each such person became a substantial holder for these purposes on 31 May 2011. Euroz Securities Ltd also has an interest in 1,000,000 Options (see paragraph 7 above).
- (c) Penson Australia Nominees Pty Ltd is a substantial holder in the Company within the meaning of section 671B of the Corporations Act 2011 (Cth) due to and in respect of the 20,439,207 Shares held by Penson Australia Nominees Pty Ltd. Penson Australia Nominees Pty Ltd became a substantial holder for these purposes on 12 July 2011.

The Company notes that Zero Nominees Pty Ltd has indicated to the Company that it holds the above 31,273,750 as nominee for various investors.

14. CONFIRMATION OF GRANT OF WAIVER OF ASX LISTING RULE 6.10.4

The Company confirms that ASX has granted it a waiver of Listing Rule 6.10.4 to the extent necessary that the removal or change of a Shareholder's right to vote may be permitted where that removal or change is required under Bermuda legislation.

Yours faithfully



Alex Neuling
Company Secretary
Ikwezi Mining Limited

For personal use only

Annexure A

STATEMENT OF 20 LARGEST SHAREHOLDERS

Shareholder	Number of Shares held	Percentage of Shares held ¹
Belvedere Mining Holdings Inc	170,000,000	50.18%
Zero Nominees Pty Ltd	31,273,750	9.23%
Penson Australia Nominees Pty Ltd <Accum A/C>	2,439,207	6.03%
National Nominees Limited	10,750,000	3.17%
UBS Nominees Pty Ltd	5,750,000	1.70%
HSBC Custody Nominees (Australia) Ltd	3,500,000	1.03%
William Taylor Nominees Pty Ltd	2,600,691	0.77%
Bond Street Custodians Ltd <Macq Aust Microcap Fund A/C>	2,500,000	0.74%
J P Morgan Nominees Australia Limited	2,200,000	0.65%
Ice Cold Investments Pty Ltd <Browns Cheltenham Rd S/F A/C>	2,000,000	0.59%
Walloon Securities Pty Ltd	2,000,000	0.59%
Citicorp Nominees Pty Ltd	1,750,000	0.52%
Mr Keith William Sheppard <The Sheppard Family Account>	1,250,000	0.37%
Mr Denis Ronald Criddle and Scadway Pty Ltd <Criddle Partnership A/C>	1,000,000	0.30%
Dull Brass Pty Ltd	1,000,000	0.30%
Mrs Murray Goddard & Mrs Marie Therese Goddard & Mr Jay Miccal Goddard <Draddog Yarrum S/F A/C>	1,000,000	0.30%
Penson Australia Nominees Pty Ltd <No 3 A/C>	775,000	0.23%

¹ Figures given in this column are a percentage of the total number of Shares issued by Ikwezi Mining, which includes 169,950,000 Shares that are subject to mandatory restriction agreements. Shares subject to mandatory restriction agreements will not be quoted on ASX until the expiry of the relevant restriction period or periods specified in each restriction agreement. Refer to **Annexure C** for further details.

For personal use only

Shareholder	Number of Shares held	Percentage of Shares held ¹
ABN AMRO Clearing Sydney Nominees Pty Ltd <Custodian A/C>	750,000	0.22%
Mr Tom Lomman <Loman Finance Super A/C>	665,000	0.20%
Mr Marcus James Taylor	575,000	0.17%
TOTAL	261,778,648	77.28%

Annexure B

DISTRIBUTION OF SHAREHOLDERS STATEMENT

Category	Number of holders	Total number of quoted Shares	Percentage of Shares ²
1 – 1,000	3	1,266	0.00%
1,001 – 5,000	4	5,681	0.00%
5,001 – 10,000	16	158,520	0.05%
10,001 – 100,000	385	24,677,620	7.28%
100,001 and over	239	313,906,913	92.67%
TOTAL	647	338,750,000	100.00%

² Figures given in this column are a percentage of the total number of Shares issued by Ikwezi Mining, which includes 169,950,000 Shares that are subject to mandatory restriction agreements. Shares subject to mandatory restriction agreements will not be quoted on ASX until the expiry of the relevant restriction period or periods specified in each restriction agreement. Refer to **Annexure C** for further details.

Annexure C

SECURITIES SUBJECT TO MANDATORY ESCROW ARRANGEMENTS

Shareholders subject to restriction agreements	Number of Shares subject to restriction agreements	Number of Options subject to restriction agreements	Date of expiry of restriction period
Belvedere Mining Holdings Inc	169,950,000	-	19 July 2013
Mr David John Pile	-	2,000,000	19 July 2013
Mr Ranaldo Charles Anthony	-	2,000,000	19 July 2013
Euroz Securities Ltd	-	1,000,000	19 July 2013

For personal use only

Annexure D

SECURITIES TRADING POLICY

1. INTRODUCTION

This document sets out the Company's policy on dealing by Directors, employees and contractors in:

- (a) the Company's securities; and
- (b) securities of other entities.

If you do not understand any part of this policy, the summary of the law, or how it applies to you, you should raise the matter with the Company Secretary before dealing with any securities covered by this policy.

2. RATIONALE FOR THE POLICY

Under Australian corporations legislation, the insider trading laws operate to prohibit people in possession of non-public price-sensitive information from dealing in securities or passing on the information to other people who may deal in securities.

Given the restrictions imposed by law, this policy is relevant to all Directors, employees and contractors of the Company. This policy imposes restrictions (described below) on:

- (a) all Directors of the Company;
- (b) all employees of the Company;
- (c) any entities controlled by a Director or employee; and
- (d) contractors.

3. MEANING OF SECURITIES

For the purposes of this policy, "securities" means shares, debentures, options to subscribe for new shares and options over existing shares, warrant contracts and other derivatives relating to the shares.

4. INSIDER TRADING LAWS

4.1 Prohibition

If you have any **inside information** about the Company (or another relevant entity, such as a company with which the Company is considering a transaction) which is not publicly known, it is a criminal offence for you to:

- (a) trade in the Company's securities (or securities of the other relevant entity);
- (b) advise or procure another person to trade in the Company's securities (or securities of the other relevant entity); or
- (c) pass on **inside information** to someone else (including colleagues, family or friends) knowing (or where you should have reasonably known) that the other person will, or is likely to, use that information to trade in, or procure someone else to trade in, the Company's securities (or securities of the other relevant entity).

4.2 Consequences of insider trading

This offence, called "insider trading", can subject you to:

- For personal use only
- (a) criminal liability including large fines and/or imprisonment;
 - (b) a civil penalty of up to \$200,000; and
 - (c) civil liability, which may include being sued by another party or the Company, for any loss suffered as a result of illegal trading.

4.3 Inside information

"Inside information" is information that:

- (a) is not generally available; and
- (b) if it were generally available, it would – or would be likely to – influence investors in deciding whether to buy or sell particular securities.

The financial impact of the information is important, but strategic and other implications can be equally important in determining whether information is **inside information**. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.

Importantly, you need not be an "insider" to come across inside information. That is, it does not matter how you come to know the **inside information** (for example, you could learn it in the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a dinner party).

4.4 Examples of insider trading

The following list is illustrative only. Inside information could include:

- (a) the financial performance of the Company against its budget;
- (b) a possible acquisition or sale of any assets by the Company;
- (c) a possible change in the Company's capital structure;
- (d) a proposed dividend;
- (e) senior management changes;
- (f) a significant discovery; or
- (g) any possible claim against the Company or other unexpected liability.

4.5 Insider trading is prohibited at all times

If you possess **inside information**, you must not buy or sell the Company's securities, advise or get others to do so or pass on the **inside information** to others. This prohibition applies regardless of how you learn the information.

The prohibition on insider trading applies not only to information concerning the Company's securities. If a person has **inside information** in relation to securities of another company, that person must not deal in those securities.

5. CONFIDENTIAL INFORMATION

Related to the above, Directors, employees and contractors also have a duty of confidentiality to the Company. You must not reveal any confidential information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that confidential information to gain an advantage for yourself.

6. TRADING RESTRICTIONS IMPOSED BY THIS POLICY

6.1 Additional restrictions

Additional restrictions (described below) on trading the Company's securities apply to the following people in the Company and their related bodies corporate (**Restricted Persons**):

- (a) all Directors and the Company Secretary;
- (b) the Chief Executive Officer, the Chief Operating Officer and Chief Financial Officer, and their direct reports; and
- (c) all employees responsible for preparing the Company's internal financial reports.

The additional restrictions in this policy do not prohibit Restricted Persons from acquiring securities under the Company's dividend reinvestment plans or employee share or rights plans (however, the additional restrictions will apply to any subsequent trading of the Company's securities acquired under those plans).

6.2 Reasons for additional restrictions

Restricted Persons are in positions where it may be assumed that they may come into possession of **inside information** and, as a result, any trading by Restricted Persons may embarrass or reflect badly on them or on the Company (even if a Restricted Person has no actual **inside information** at the time).

This policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise.

6.3 Trading restrictions

Restricted Persons are not permitted to trade the Company's securities during the specific "black-out periods" detailed below.

The black-out periods are the period of four weeks immediately leading up to and including each of the following days:

- (a) the day half year results are announced;
- (b) the day full year results are announced; and
- (c) the day of the annual general meeting.

The Board may also declare a black-out period for a specified period at other times (such as prior to the announcement to ASX of a significant event).

6.4 Requirements before trading

Before trading in the Company's securities, Restricted Persons must:

- (d) advise the Managing Director (or if the Restricted Person is the Managing Director, the Board through the Company Secretary), or his or her delegate, of their intention to trade in Company securities;
- (e) confirm that they do not hold any **inside information**; and
- (f) have been advised that there is no known reason to preclude the trading in Company's securities.

6.5 Requirements after trading

Once a Restricted Person has completed a trade in the Company's securities, the Managing Director (or if the Restricted Person notifying is the Managing Director, the Company Secretary), or his or her delegate, must be:

- (a) advised that the trade has been completed; and
- (b) in the case of Directors, provided with sufficient information to enable the Company to comply with the requirements to notify a change of interests to ASX.

6.6 Application to employee share and option plans

The additional restrictions in this policy do not affect a Restricted Person's participation in the Company's employee share, option or rights plans or the exercise of options/rights under those plans.

However the additional restrictions in this policy will apply to any subsequent trade of any the Company's securities issued to (or for the benefit of) a Restricted Person on the exercise of any options or right granted under an employee share, option or rights plan.

6.7 Trading inside the black-out periods

Restricted Persons are prohibited from trading in the Company securities at times within the black-out periods, however if a genuine and pressing need arises, then exceptions may be considered.

A Restricted Person must not trade within a black-out period unless they submit a written request to the Managing Director, or his or her delegate, in advance of the proposed trade and have received written clearance to trade.

The Managing Director is responsible for approving applications to permit trading within black-out periods.

In the case of any proposed trading by the Managing Director, notification of any request must be made to the Board through the Company Secretary.

Any request must include confirmation that the Restricted Person does not hold any inside information.

7. BREACHES OF THE POLICY

Strict compliance with this policy is a condition of employment. Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

For personal use only

Annexure E

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. 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

For personal use only

ASX Recommendation	Comply (Yes/No)	Explanation
PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
ASX Recommendation 1.1: 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 www.ikwezimining.com .
ASX Recommendation 1.2: 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 www.ikwezimining.com.</p>
ASX Recommendation 1.3: 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 www.ikwezimining.com .
PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE		
<p>ASX Recommendation 2.1: 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"> • 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 • 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). <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
		www.ikwezimining.com .
ASX Recommendation 2.2: 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>
ASX Recommendation 2.3: 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.
ASX Recommendation 2.4: 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 www.ikwezimining.com.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
<p>ASX Recommendation 2.5: 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 www.ikwezimining.com.</p>
<p>ASX Recommendation 2.6: 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"> • The skills, experience and expertise relevant to the position of each Director are set out in section 6.1 of the Company's prospectus. • 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

ASX Recommendation	Comply (Yes/No)	Explanation
		<p>which is available in the governance section of the Company's website at www.ikwezimining.com.</p> <ul style="list-style-type: none"> • 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. • 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. • 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. • Currently, Mr David Pile (chair), Mr Simon Hewetson and Mr Ranaldo Anthony serve on the Remuneration and Nomination Committee. • 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

ASX Recommendation	Comply (Yes/No)	Explanation
		website at www.ikwezimining.com .
PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING		
<p>ASX Recommendation 3.1: 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"> the practices necessary to maintain confidence in the company's integrity; the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. 	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 www.ikwezimining.com.</p>
<p>ASX Recommendation 3.2: 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 (Mining Charter), 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 (HDSAs) 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>ASX Recommendation 3.3: 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>ASX Recommendation 3.4: 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>ASX Recommendation 3.5: 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 www.ikwezimining.com .
PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING		
ASX Recommendation 4.1: 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 www.ikwezimining.com.</p>
<p>ASX Recommendation 4.2: The audit committee should be structured so that it:</p> <ul style="list-style-type: none"> 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. 	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>

ASX Recommendation	Comply (Yes/No)	Explanation
		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.
ASX Recommendation 4.3: 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 www.ikwezimining.com .
ASX Recommendation 4.4: 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 www.ikwezimining.com.</p>
PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE		
ASX Recommendation 5.1: 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 www.ikwezimining.com 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 www.ikwezimining.com.</p>
<p>ASX Recommendation 5.2: 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 www.ikwezimining.com.</p>
PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS		
<p>ASX Recommendation 6.1: 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"> communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;

ASX Recommendation	Comply (Yes/No)	Explanation
		<ul style="list-style-type: none"> • giving shareholders ready access to balanced and understandable information about the Company and corporate proposals; • encouraging shareholders to participate in general meetings of the Company; and • 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. <p>A copy of the shareholder communication policy is available in the governance section of the Company's website at www.ikwezimining.com.</p>
<p>ASX Recommendation 6.2: 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 www.ikwezimining.com and all information provided to ASX for release to the market will be posted to its website at www.ikwezimining.com after ASX confirms an announcement has been made.</p>
PRINCIPLE 7: RECOGNISE AND MANAGE RISK		
<p>ASX Recommendation 7.1: 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 www.ikwezimining.com.</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 www.ikwezimining.com.</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 www.ikwezimining.com.</p>
ASX Recommendation 7.2: 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>ASX Recommendation 7.3: 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>ASX Recommendation 7.4: 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 www.ikwezimining.com.</p>

ASX Recommendation	Comply (Yes/No)	Explanation
PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY		
<p>ASX Recommendation 8.1: 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 www.ikwezimining.com.</p>
<p>ASX Recommendation 8.2: The remuneration committee should be structured so that it:</p> <ul style="list-style-type: none"> • consists of a majority of independent directors; • is chaired by an independent chair; and • has at least three members. 	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>ASX Recommendation 8.3: 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"> 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

ASX Recommendation	Comply (Yes/No)	Explanation
		<p>can create value for shareholders;</p> <ul style="list-style-type: none"> • implement and subsequently review the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs; • 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; • 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; • 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; • implement and subsequently review the on-going appropriateness and relevance of the non-executive remuneration policy; and • 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.
<p>ASX Recommendation 8.4: 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"> • an explanation of any departure from ASX Recommendations 8.1, 8.2, 8.3 or 8.4 (if any); • the existence and terms of any schemes for retirement benefits, other than superannuation, for non-executive directors; and • 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. <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 www.ikwezimining.com.</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>