

Corporate Governance Statement

The Board of directors of Cuesta Coal Limited and its Controlled Entities (**'the Company'**) is responsible for establishing the corporate governance framework of the Company having regard to the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations – 3rd edition (**'the ASX Principles'**). The Board is committed to achieving and demonstrating the highest standards of corporate governance on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Corporate Governance Statement together with the Company's governance policies and practices can be found in the corporate governance section of the Company's website at <http://www.cuestacoal.com.au/corporate/corporate-governance>

The Board seeks, where appropriate, to adopt without modification, the ASX principles. Detailed explanation is provided in the table below where the Company has not complied with a recommendation in full for the entire reporting period.

The following summary sets out the Company's corporate governance principles which were in place during the period 1 July 2014 to 30 June 2015.

This Corporate Governance Statement is current as at 30 September 2015 and has been approved by the Company's Board of Directors.

ASX Principles and Recommendations	Summary of position of the Company
Principle 1 – Lay solid foundations for management and oversight	
A listed entity should establish and disclose the respective roles and responsibilities of Board and management and how their performance is monitored and evaluated.	
<p>Recommendation 1.1 – A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>The Board has approved a formal charter (published on the Company's website under corporate governance) which clearly defines the respective roles, functions and responsibilities of the board, its committees and management. The charter includes a formal statement in respect to the area of authority delegated to senior executives.</p>
<p>Recommendation 1.2 – A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>Candidates nominated for election as a director are assessed by the Board against background, experience, professional skills, personal qualities, and their availability to commit themselves to the Board's activities. Board candidate filling a casual vacancy must resign and stand for re-election at the next annual general meeting of shareholders. Information pertaining to the professional attributes of the candidate seeking re-election is provided to security holders in the relevant notice of annual general meeting.</p> <p>The Board oversees the appointment and induction process for directors. When a vacancy exists or there is need for particular skills, the Board determines the selection criteria based on the skills deemed necessary.</p>
<p>Recommendation 1.3 – A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Prior to appointment, each director is issued with a written letter of appointment outlining the detail of their appointment including remuneration, responsibilities and statutory obligations. Detailed company and governance information is provided with the letter to assist the director in extinguishing their duties.</p> <p>All senior executives have executed services agreement with the Company. The material terms of these agreements including the term, remuneration (including termination rights) are outlined in the Company's 2015 Annual Report.</p>
<p>Recommendation 1.4 – The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The company secretary is generally responsible for carrying out the administrative and legislative requirements of the board. The company secretary holds primary responsibility in supporting the effectiveness of the</p>

	<p>board and its committees. A detailed description of the role and responsibility of the company secretary is outlined in the board charter.</p> <p>The company secretary is accountable to the board, through the Chairman, on all governance matters.</p> <p>The company secretary is appointed in accordance with the Company's constitution. The appointment and removal of the company secretary is a matter for decision by the board as a whole.</p> <p>Each director of the company is able to communicate directly with the company secretary.</p>
<p>Recommendation 1.5 – A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or summary of it; and</p> <p>(c) disclose at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined and published under the Act.</p>	<p>The Company has an established a diversity policy which is disclosed on the Company's website under corporate governance.</p> <p>The policy has been established to outline the company's commitment to inspiring equality in the workplace, to provide a work environment where every employee is treated fairly and has the opportunity to contribute to the success of the business and their own development.</p> <p>The Company is committed to embracing a diverse corporate culture. The Policy outlines the Company's measurable objectives for achieving gender diversity by incorporating the following standards:</p> <ul style="list-style-type: none"> • Ensure that recruitment and selection decisions are based on the principle of merit, skills and qualifications and are regardless of gender, religion, race, sexual orientation, age, disability or any other factor not relevant to the position. • Past experience and skills gained in the mining and exploration industries (or a field relevant to the position on offer) will be a key determinant in the selection process. • During the appointment of board members the Company will develop gender, age and cultural diversity as well as the necessary skills and experience required to add value to the board. • Leadership, management and communication skills, technical expertise, corporate governance experience, reputation, qualifications and exploration and mining experience will be a key determinant in the selection process for board members. The company must consider diversity in addition to these requirements when selecting board members. • The company will ensure their staff and director selection process is formal and transparent. The individual candidate's attributes, skills and experience, reputation and suitability to the role will be assessed fairly. • The company will build and maintain a safe working

	<p>environment by taking action against inappropriate workplace behaviour, including discrimination, harassment, bullying and victimisation.</p> <p>Due to the prevailing depressed market conditions in the coal sector and the implementation of cost cutting initiatives, the Company has been unable to prioritise progress in achieving its diversity objectives during the reporting period.</p> <p>Women represent 25% of the executive management team for the reporting period and 42% of the employees of the Company. Ms Ying Tian was the Company's first female non-executive director holding the position for the period 27 March 2015 to 31 July 2015. As at the date of this statement there are no women on the Board of Directors.</p>
<p>Recommendation 1.6 – A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The remuneration and nomination committee is responsible for the evaluation and review of the performance of the Board, its committees and individual directors against measurable and qualitative indicators, established by the committee.</p> <p>The charter of the remuneration and nomination committee (which outlines the procedure and process for evaluating the performance of the director) can be found at the Company's website under corporate governance.</p> <p>During the reporting period, a performance evaluation of the Board was undertaken following which it was determined that a reduction to the number of Board members was deemed necessary to ensure the efficiency and effectiveness of the Board.</p>
<p>Recommendation 1.7 – A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The remuneration and nomination committee is responsible for the evaluation and review of performance of individual senior executives against measurable and qualitative indicators, established by the committee.</p> <p>The charter of the remuneration and nomination committee (which outlines the procedure and process for evaluating the performance of the director) can be found at the Company's website under corporate governance.</p> <p>Performance reviews of the senior executives have been undertaken in this reporting period.</p>
<p>Principle 2 – Structure Board to Add Value</p> <p>A listed entity should have a board of an appropriate size, composition, skills and commitment to adequately discharge its responsibilities and duties</p>	
<p>Recommendation 2.1 – The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members</p>	<p>The Company has established a remuneration and nomination committee. The charter of the remuneration and nomination committee can be found at the Company's website under corporate governance.</p> <p>The charter defines the committee's function, composition, mode of operation, authority and responsibilities.</p> <p>The committee is chaired by the Company's independent, non-executive Chairman, Mr Brian Johnson.</p> <p>The members of the remuneration and nomination committee are:</p>

<p>at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<ul style="list-style-type: none"> • Mr Brian Johnson (independent non-executive director); • Mr Yong Xiao (non-executive director) • Mr Guoqiang Luo (non-executive director) <p>The Board of the Company is comprised of five members, four of whom are not considered to be independent as defined by the ASX Principles. As the majority of the Board is not considered independent, the Company has been unable to comply with recommendation 2.1(a)(1) in respect to having a majority of independent directors in the committee for the whole of the reporting period. Refer to recommendation 2.4 for further commentary on Board composition.</p> <p>Information relating to the directors of the committee, their skills, experience, expertise and the number of times the committee met throughout the period is contained in the Director's Report section of the Company's 2015 Annual Report.</p>
<p>Recommendation 2.2 – A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>The skills matrix of the Board is outlined in Appendix A of this corporate governance statement.</p>
<p>Recommendation 2.3 – A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>In consideration of the independence of each of the Company's directors, reference was made to the criteria for independence as set out in Box 2.3 of the ASX Principles and Recommendations (Factors relevant to assessing the independence of a director).</p> <p>The Company's non-executive Chairman, Mr Brian Johnson, is considered the sole independent director of the Company.</p> <p>The Company is of the view that Mr Johnson is not allied with the interests of management, a substantial security holder or other relevant stakeholder and is able to bring an independent judgment to bear on issues before the Board.</p> <p>The length of service of each director is outlined in Appendix A to this corporate governance statement.</p>
<p>Recommendation 2.4 – A majority of the board of a listed entity should be independent.</p>	<p>The Board of the Company is comprised of five members, four of whom are not considered to be independent as defined by the ASX Principles. As the majority of the Board is not considered independent, the Company has been unable to comply with recommendation 2.4 for the whole of the reporting period.</p> <p>The Board continues to critically evaluate non-compliance with the recommendation against the strategic, administrative and operational requirements of the Company. During the reporting period, the Company reduced the number of Board members from nine to five. The reduction in members was deemed necessary to ensure the efficiency and effectiveness of the Board.</p> <p>Furthermore, due to the prevailing depressed market conditions in the coal sector, the Company has chosen to place priority on retaining the relevant skills, knowledge and experience of the directors, particularly in capital</p>

	raising, which are deemed necessary to ensure the viability of the Company.
Recommendation 2.5 – The chair of the board of a listed entity should be an independent director, and in particular, should not be the same person as the CEO of the entity.	The Chairman of the Board, Mr Brian Johnson, is an independent, non-executive director. The position of CEO is held by Mr Matthew Crawford.
Recommendation 2.6 – A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	New directors are provided with a detailed engagement letter outlining their role and responsibilities. A detailed information pack is provided with the engagement letter including corporate governance policies and charters. The Company Secretary is available to assist with the process for new directors to familiarise themselves with the Company. New directors are also provided the opportunity to visit the company's operations and meet with employees.
Principle 3 – Act ethically and responsibly	
A listed entity should act ethically and responsibly	
Recommendation 3.1 – A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and • (b) disclose that code or a summary of it.	The Company has established a code of conduct which regulates the Company's dealings with its stakeholders. All executives and employees are required to abide by laws and regulations, to respect confidentiality and the proper handling of information and to act with the highest standards of honesty, integrity, objectivity and ethics in all dealings with each other, the Company, its shareholders, customers, suppliers and the community. The code of conduct is reviewed regularly and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism. The code of conduct is disclosed on the Company's website under corporate governance.
Principle 4 – Safeguard Integrity in Corporate Reporting	
A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting	
Recommendation 4.1 – The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	The Company has established an audit and risk management committee to assist the Board with monitoring and reviewing financial controls, the competency of internal and external auditors and the Company's risk policies. The audit and risk management committee is made up of three non-executive directors and is chaired by Mr Brian Johnson, who is also the Chairman of the Company. The members of the Audit and Risk Management Committee are: <ul style="list-style-type: none">• Mr Brian Johnson (independent non-executive director);• Mr Yong Xiao (non-executive director)• Mr Guoqiang Luo (non-executive director) The Board of the Company is comprised of five members, four of whom are not considered to be independent as defined by the ASX Principles. As the majority of the Board is not considered independent, the Company has been unable to comply with recommendation 4.1(a)(1) in respect to having a majority of independent directors in the committee for the whole of the reporting period. Refer to recommendation 2.4 for further commentary on Board

	<p>composition.</p> <p>An audit and risk management committee charter has been established which governs the roles, responsibilities, composition and membership of the audit and risk management committee. The charter is published on the Company's website under corporate governance.</p> <p>Information relating to the directors of the committee, their skills, experience, expertise and the number of times the committee met throughout the period is contained in the Director's Report section of the Company's 2015 Annual Report.</p>
<p>Recommendation 4.2 – The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>The Chief Executive Officer and Chief Financial Officer confirm in writing that the declaration provided in accordance with section 295A of the Corporations Act 2001, that, in their opinion, the financial records of the Company for a financial year have been properly maintained in accordance with the Act and that the financial statements and the notes for the financial year comply with the accounting standards and give a true and fair view of the financial position and performance of the Company. The declaration is given before the directors approve the financial statements for the financial year.</p>
<p>Recommendation 4.3 – A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>The company ensures the external auditor attends the Annual General Meeting to answer questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.</p>
<p>Principle 5 – Make Timely and Balanced Disclosure</p> <p>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</p>	
<p>Recommendation 5.1 – A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>The Board has adopted a formal continuous disclosure policy which sets out its obligations in respect of continuous disclosure under the <i>Corporations Act 2001 (Cth)</i> and the ASX Listing Rules. The directors are committed to keeping the market fully informed of material developments to ensure compliance with the Corporations Act. Executive directors, in conjunction with all non-executive directors, are charged with the day-to-day disclosure to the market of any information in relation to the on-going exploration activities of the Company.</p> <p>The policy is disclosed on the Company's website under corporate governance.</p>
<p>Principal 6 – Respect the Rights of Shareholders</p> <p>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.</p>	
<p>Recommendation 6.1 – A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Information pertaining to the Company and its operations is located on the Company's website: http://www.cuestacoal.com.au</p> <p>The Company's corporate governance charters and policies are also disclosed on the Company's website: http://www.cuestacoal.com.au/corporate/corporate-governance</p>
<p>Recommendation 6.2 – A listed entity should design and implement an investor relations program to facilitate effective two-way communication with</p>	<p>The Company is committed to maintaining an effective two-way communication platform with investors. The Company's website provides a platform to facilitate the</p>

investors.	communication via the disclosure of the Company's official ASX releases of material information and periodic reports, press releases, notices and presentations as well as providing a mechanism for security holders to contact the Company through an online request form.
Recommendation 6.3 – A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	The Board encourages full participation of its security holders at Annual and General Meetings, to ensure a high level accountability and identification with the Company's strategy and goals. The Company encourages security holders who are unable to attend meetings to participate by proxy.
Recommendation 6.4 – A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Security holders can elect to receive the Company's security holder communications (including the Annual Report) electronically. They can elect via the Company's website to receive ASX and media announcements and newsletters by email.
Principle 7 – Recognise and Manage Risk	
A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.	
<p>Recommendation 7.1 – The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose the fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>Ultimate responsibility for risk oversight and risk management rests with the full Board, notwithstanding the establishment of the committee</p> <p>The Company has established an audit and risk management committee to assist the Board with monitoring and reviewing financial controls, the competency of internal and external auditors and the Company's risk policies.</p> <p>The audit and risk management committee is made up of three non-executive directors and is chaired by Mr Brian Johnson, who is also the Chairman of the Company and an independent director.</p> <p>The members of the Audit and Risk Management Committee are:</p> <ul style="list-style-type: none"> • Mr Brian Johnson (independent non-executive director); • Mr Yong Xiao (non-executive director) • Mr Guoqiang Luo (non-executive director) <p>The Board of the Company is comprised of five members, four of whom are not considered to be independent as defined by the ASX Principles. As the majority of the Board is not considered independent, the Company has been unable to comply with recommendation 7.1(a)(1) in respect to having a majority of independent directors in the committee for the whole of the reporting period. Refer to recommendation 2.4 for further commentary on Board composition.</p> <p>An Audit and Risk Management Committee Charter has been established and will govern the roles, responsibilities, composition and membership of the audit and risk management committee.</p> <p>Information relating to the directors of the committee, their skills, experience, expertise and the number of times the committee met throughout the period is contained in the</p>

	Director's Report section of the Company's 2015 Annual Report.
<p>Recommendation 7.2 – The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>The Board identifies operational risk categories to assist with risk identification, measurement and provide a basis for organising and reporting outcomes. It also identifies the mitigating practices & controls identified by management. This is reviewed at least annually by the Audit & Risk Committee. A review has been undertaken in this reporting period.</p>
<p>Recommendation 7.3 – A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, disclose that fact and processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>The Company does not currently have a formal internal audit function.</p> <p>The Company is subject to external audit annually and review each half year. As part of this process, the auditors undertake an independent review of the Company's internal controls and procedures to ensure that any material weakness are identified and reported. The audit completion report specifically addresses the adequacy of the Company's internal controls.</p> <p>The audit and risk management will continue to evaluate the adequacy of this external independent audit of internal controls.</p>
<p>Recommendation 7.4 – A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Due to the nature of the Company's operations being the exploration for and development of coal resources, the Company is inherently exposed to some level of economic, environmental and social sustainability risk.</p> <p>The Company continuously monitors its exposure in respect to these risks and implements relevant risk mitigation strategies.</p> <p>The Company is presently in a position to adapt to the prevailing depressed market conditions in the coal sector and has accordingly implemented a number of cost cutting initiatives such as the closure of the Sydney office.</p> <p>The Company also employs a senior environmental officer to ensure compliance with environmental regulations and to mitigate environmental risk of its operations.</p> <p>During the reporting period, the Company has actively sort to engage with stakeholders particularly in respect to the development of its Moorlands Project.</p>
<p>Principle 8 – Remunerate Fairly and Responsibly</p> <p>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.</p>	
<p>Recommendation 8.1 –</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose</p> <p>(3) the charter of the committee;</p>	<p>The Company has established a remuneration and nomination committee to provide advice, recommendations and assistance to the Board, with regards to remuneration policies, practices and the identification nominees for senior appointments.</p> <p>The remuneration and nomination committee has three members all of whom are non-executive directors. The committee is chaired by an independent chair. The members of the remuneration and nomination committee</p>

<p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>are:</p> <ul style="list-style-type: none"> • Mr Brian Johnson (independent non-executive director); • Mr Yong Xiao (non-executive director) • Mr Guoqiang Luo (non-executive director) <p>The Board of the Company is comprised of 5 members, four of whom are not considered to be independent as defined by the ASX Principles. As the majority of the Board is not considered independent, the Company has been unable to comply with recommendation 8.1(a)(1) in respect to having a majority of independent directors in the committee for the whole of the reporting period. Refer to recommendation 2.4 for further commentary on Board composition.</p> <p>Information relating to the directors of the committee, their skills, experience, expertise and the number of times the committee met throughout the reporting period is contained in the Director's Report section of the Company's 2015 Annual Report.</p> <p>The remuneration and nomination committee has a formal charter in place and is disclosed on the Company website under corporate governance.</p>
<p>Recommendation 8.2 – A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>Detailed disclosure of the Company's remuneration policies and practices for non-executive directors, executive directors and senior executives are set out in the remuneration report section of the Company's 2015 Annual Report located on the Company's website under reports and presentations in the investor centre. The Company does not have a retirement benefit scheme in place for non-executive directors.</p>
<p>Recommendation 8.3 – A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>The Company has a performance rights plan in place which was approved by security holders on 29 November 2013.</p> <p>The Company's securities dealing policy specifically prohibits key management personnel (being the participants of the performance rights plan) from dealing in any products which operate to limit the economic risk of participating in the scheme.</p> <p>The securities dealing policy can be found on the Company's website under corporate governance.</p>

Appendix A - Board Skills Matrix

Directors	Brian Johnson	Matthew Crawford (CEO)	Ruoshui Wang	Yong Xiao	Guoqiang Luo
Appointment Date	03/2013	09/2011	11/2012	11/2013	07/2015
Length of service as at 30 September 2015	2 years and 6 months	4 years	2 years and 10 months	1 year and 10 months	2 months
Skills					
Corporate Governance	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓
Strategy	✓	✓	✓	✓	
International Experience	✓	✓	✓	✓	✓
Engineering	✓	✓	✓		
Financial	✓	✓	✓	✓	✓
Experience in Mining Sector	✓	✓			
Health & Safety	✓	✓			
Risk Management	✓	✓	✓	✓	✓
Acquisitions	✓	✓	✓	✓	