MARINDI METALS LIMITED ABN 84 118 522 124

CORPORATE GOVERNANCE STAMENT 2015

The Board of Directors is responsible for the overall corporate governance of Marindi Metals Limited ("Marindi" or the "Company"), and is committed to the principles underpinning best practice in corporate governance, applied in a manner that meets ASX standards and best addresses the Board's accountability to shareholders and other stakeholders.

The Company's corporate governance framework is underpinned by the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("Recommendations") applicable to ASX-listed entities. This Corporate Governance Statement provides details of the Company's compliance with those Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation.

Marindi's corporate governance policies are available on the Marindi website: www.marindi.com.au/corporate-governaance

This Corporate Governance Statement ("Statement") sets out a description of the Company's main corporate practices and provides details of the Company's compliance with the Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation.

This Statement is current as at 23rd September 2015 and has been approved by the Board of Directors of Marindi Metals Limited.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation	Requirement	Comply Yes/ No
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes
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.	Yes
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	Yes
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes

Commentary

Board Charter

The Board is accountable to shareholders for the performance of the Company. The Board operates under the Board Charter that details its functions, responsibilities and powers and those delegated to management.

On appointment, non-executive directors receive formal letters of appointment setting out the terms and conditions of appointment. Executive directors are employed pursuant to employment agreements.

Diversity Policy

The Board has adopted a Diversity Policy which sets out the Company's aims and practices in relation to recognising and respecting diversity in employment. The Policy reinforces the Company's commitment to actively managing diversity as a means of enhancing the Company's performance by recognising and utilising the contributions of diverse skills and talent from its employees.

The Diversity Policy reflects the matters set out in the commentary and guidance for Recommendation 1.5, and is available on the Marindi website.

The Board has yet to develop measurable objectives and strategies to meet the overall objectives of the Diversity Policy, although those objectives are considered in all aspects of the Company's employment practices.

The proportion of women within the organisation is as follows:

- women on the Board nil (0%)
- women in senior management roles nil (0%)
- women employees in the Group 1 (14%)

Evaluation of the performance of the board and senior executives

The performance of the board and senior executives is evaluated in accordance with the Performance Evaluation Policy.

The Board Charter and Performance Evaluation Policy are available on the Marindi website.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Recommendation	Requirement	Comply Yes/ No
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; **OR** (b) if it does not have a 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.	No
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.	No
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (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 (c) the length of service of each director.	Yes
2.4	A majority of the board of a listed entity should be independent directors.	No
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.	Yes

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.	Yes

Commentary

Composition of the Board

The Board consists of three non-executive directors, Messer's Jones, Hutton and Ashton. Details of their skills, experience and expertise and the period of office held by each director have been included in the Directors' Report. The number of Board meetings and the attendance of the directors are also set out in the Directors' Report.

At present, there is one executive director, Mr Treacy.

Marindi does not currently have or disclose a formal skills matrix as per Recommendation 2.2. Marindi discloses all its board members qualifications, skills and experience as part of its Annual Report and believes the Board is appropriate for an exploration company. It is expected that as the company grows and develops a skills matrix will be developed and disclosed.

Independence of non-executive directors and the Chairman of the Board

The Board has assessed the independence of the non-executive directors and the Chairman.

Mr Ashton does not satisfy the tests of independence as detailed in the Recommendations, as he is a substantial shareholder.

Although Messrs Jones and Hutton have shareholding interests in the Company, their interests are less than 5% respectively and are therefore not considered to be material. As they do not contravene the other independence criteria as set out in the Recommendations, they are therefore regarded as independent. Therefore Marindi has 2 out of 4 independent directors and does not met the guideline for a majority of independent directors. The board is mindful of this and given the company's constitution provides for the chairman to have a casting vote Marindi believes the board functions correctly.

Nomination Committee

The Board has determined that the function of the Nomination Committee be performed by the Board of Directors until such time as the Board determines it is appropriate to establish a separate committee.

The Company is at variance with Recommendation 2.1 in not having established a nomination committee. The Board considers that such a committee is unnecessary given the current size of the Company and has determined it appropriate for the entire Board to fulfil this function.

Board renewal and succession planning

The appointment of directors is governed by the Company's Constitution and the Appointment and Selection of New Directors policy. In accordance with the Constitution of the Company, no director except a Managing Director shall hold office for a continuous period in excess of three years or past the third annual general meeting following the director's appointment, whichever is the longer, without submitting for re-election.

The Company has not adopted a policy in relation to the retirement or tenure of directors.

The appointment of the Company Secretary is a matter for the Board. Information on the experience and qualifications of the Company Secretary can be found in the Directors' Report.

Evaluation of the performance of the Board, its committee and individual directors

The performance of the Board, its committee and individual directors are to be evaluated in accordance with the Performance Evaluation Policy. At balance date, performance evaluations of the Board and individual directors had not been conducted.

Appointment and education

When appointed to the Board, a new director will receive a briefing appropriate to their knowledge and experience. Directors may participate in continuing education to update and enhance their skills and knowledge from time to time, as considered appropriate.

Access to information and advice

Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making. The Board also has a policy under which individual directors and Board committees may obtain independent professional advice at the Company's expense in relation to the execution of their duties, after consultation with the Chairman.

The Company's Constitution and the policy for Appointment and Selection of New Directors are available on the Marindi website.

PRINCIPLE 3: ACT ETHICALLLY AND RESPONSIBLY

Recommendation	Requirement	Comply Yes/ No
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.	Yes

Commentary

Code of Conduct

The Board has adopted a Code of Conduct which applies to all directors and officers of the Company. It sets out Marindi's commitment to successfully conducting the business in accordance with all applicable laws and regulations while demonstrating and promoting the highest ethical standards. The Code of Conduct reflects the matters set out in the commentary and guidance for Recommendation 3.1, and is available on the Marindi website.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation	Requirement	Comply Yes/ No
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.	No
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.	Yes
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.	Yes

Commentary

Audit Committee

The Board has determined that the function of the Audit Committee be performed by the Board of Directors until such time as the Board determines it is appropriate to establish a separate committee.

The Company is at variance with Recommendation 4.1 in not having established an Audit Committee. The Board considers that such a committee is unnecessary given the current size of the Company and has determined it appropriate for the entire Board to fulfil this function.

Before it approves the entity's financial statements for a financial period the board receives from its CEO and company secretary 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

External auditor

The board reviews the external auditor's terms of engagement and audit plan, and assesses the independence of the external auditor. The current practice, subject to amendment in the event of legislative change, is for the rotation of the engagement director to occur every five years.

The Company's independent external auditor is Stantons International. The appointment of Stantons International was ratified by members at the Annual General Meeting held on 24 November 2010. They will be present at the companies AGM to answer questions from security holders relevant to the audit.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation	Requirement	Comply Yes/ No
5.1	A listed entity should:	Yes

	(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	

Commentary

The Continuous Disclosure Policy sets out the key obligations of the directors and employees in relation to continuous disclosure as well as the Company's obligations under the Listing Rules and the Corporations Act. The Policy also provides procedures for internal notification and external disclosure, as well as procedures for promoting understanding of compliance with the disclosure requirements for monitoring compliance.

The Policy reflects the matters set out in the commentary and guidance for Recommendation 5.1.

The Continuous Disclosure Policy is available on the Marindi website.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation	Requirement	Comply Yes/ No
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes
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.	Yes
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.	Yes

Commentary

The Shareholder Communications Policy sets out the Company's aims and practices in respect of communicating with both current and prospective shareholders. The Policy reinforces the Company's commitment to promoting investor confidence by requiring:

- compliance with the continuous disclosure obligations;
- compliance with insider trading laws;
- compliance with financial reporting obligations;
- compliance with shareholder meeting requirements, including the provision of an opportunity for shareholders and other stakeholders to hear from and put questions to the Board, management and auditor of the Company;
- communication with shareholders in a clear, regular, timely and transparent manner; and
- response to shareholder queries in a prompt and courteous manner.

The Policy reflects the matters set out in the commentary and guidance for Recommendation 6.1.

The Shareholder Communications Policy is available on the Marindi website.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Recommendation	Requirement	Comply Yes/ No
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	No
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	No
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Yes
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.	Yes

Commentary

Risk Committee

As noted above at Principle 2: Structure the Board to Add Value, the Board has determined that the function of the Risk Committee be performed by the Board of Directors until such time as the Board determines it is appropriate to establish a separate committee. This is at variance with Recommendation 7.1 in that it has not established a remuneration committee. The Board considers that such a committee is unnecessary given the current size of the Company and has determined it appropriate for the entire Board to fulfil this function.

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Reporting and assurance

When considering the financial reports, the Board receives a written statement declaration in accordance with section 295A of the Corporations Act, signed by the Chief Executive Officer and Company Secretary, that the Company's financial reports give a true and fair view, in all material respects, of the Company's financial position and comply in all material respects with relevant accounting standards. This statement also confirms that the Company's financial reports are founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.

Similarly, in a separate written statement the Chief Executive Officer and the Company Secretary also confirm to the Board that the Company's risk management and internal control systems are operating effectively in relation to material business risks for the period, and that nothing has occurred since period-end that would materially change the position.

The Risk Management Policy is available on the Marindi website.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation	Requirement	Comply Yes/ No
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a 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.	No
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.	Yes
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	Yes

Commentary

Remuneration Committee

As noted above at Principle 2: Structure the Board to Add Value, the Board has determined that the function of the Remuneration Committee be performed by the Board of Directors until such time as the Board determines it is appropriate to establish a separate committee. This is at variance with Recommendation 8.1 in that it has not established a remuneration committee. The Board considers that such a committee is unnecessary given the current size of the Company and has determined it appropriate for the entire Board to fulfil this function.

Non-executive directors' remuneration policy

The structure of non-executive directors' remuneration is distinguished from that of executives. Remuneration for non-executive directors is fixed. Total remuneration for all non-executive directors, last voted upon by shareholders at the 2011 Annual General Meeting, is not to exceed $250,000 per annum. Non-executive directors generally do not receive performance related compensation, although directors have been granted options following approval by shareholders in general meeting. The issue of options as part of director remuneration ensures that director remuneration is competitive with market standards as well as providing an incentive to pursue longer term success for the Company. It also reduces the demand on the critical cash resources of the Company, and assists in ensuring the continuity of service of directors who have extensive knowledge of the Company, its business activities and assets and the industry in which it operates. Neither the non-executive directors nor the executives of the Company receive any retirement benefits, other than superannuation.

Executive directors' remuneration policy

The Executive Directors remuneration is set by the board with a view to general market rates and expectation. Executive directors are incentive with options issued by the company over the company's securities, these options have various vesting conditions linked to performance of the company and the company's share price. The board views these incentives as essential in attracting people of quality without a monetary outlay.

Securities Trading Policy

The company has a securities trading policy in place that does not permit the use, at any time, derivatives or hedging arrangements that operate or are intended to operate to limit the economic risk of security holdings over unvested Company securities.