

R3D – 2021 Corporate Governance Statement

ASX Corporate Governance Principles and Recommendations (4th Edition)	Compliance to be adopted at Completion	Explanation
<p>Recommendation 1.1</p> <p>A listed entity should have and disclose a board charter setting out:</p> <ul style="list-style-type: none"> (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. 	<p>Yes</p>	<p>R3D Resources has disclosed the respective roles and responsibilities of its Board and management, and the functions reserved by the Board and those delegated to senior management, in R3D Resources' Board Charter.</p> <p>This information is available in the document "R3D Resources' Corporate Governance Compliance – Policies" on the website r3d.com.au under Policies.</p>
<p>Recommendation 1.2</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (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. 	<p>Yes</p>	<p>R3D Resources undertakes a number of checks before appointing a person or putting forward to security holders a candidate for election as a Director and provides material information to shareholders about a candidate for election or re-election.</p> <p>R3D Resources' Nomination and Remuneration Committee provides recommendations to assist the Board of Directors with ensuring that appropriate checks and references are taken for new Directors and key executives, and that effective induction and education procedures exist for new Board appointees and key executives. These include checks as to the person's character, experience and education.</p> <p>Information provided to security holders in the Notice of Meeting includes: biographical details and the skills the candidates bring to the Board; details of any other material directorships currently held by the candidate; in the case of a candidate standing for election as a Director for the first time, any material adverse information revealed by the checks that R3D Resources has performed about the Director, details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally, and if the Board considers that the candidate will, if elected, qualify as an independent Director, a statement to that effect; in the case of a candidate standing for re-election as a Director, the term of office currently served by the Director and if the Board considers the Director to be an independent</p>



		<p>Director, a statement to that effect and a statement by the Board as to whether or not it supports the election or re-election of the candidate.</p> <p>A candidate for appointment or election as a Non-Executive Director must provide the Board with the information above and a consent for R3D Resources to conduct any background or other checks the Company would ordinarily conduct. The candidate must also provide details of his or her other commitments and an indication of time involved, and specifically acknowledge to R3D Resources that he or she will have sufficient time to fulfil his or her responsibilities as a Director.</p>
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Yes</p>	<p>The Company has a procedure of obtaining a written agreement with each Director and senior executive setting out their terms of appointment. These agreements take the form of letters of appointment for all Directors and additional service contracts in the case of Executive Directors or other senior executives.</p> <p>For each Non-Executive Director, the letter of appointment generally sets out the following: the terms of appointment; the time commitment envisaged, including any expectations regarding involvement with committee work and any other special duties attaching to the positions; remuneration, including superannuation entitlements; the requirement to disclose Directors' interests and any matters that may affect Directors' independence; the requirement to comply with key corporate policies, including R3D Resources' Corporate Code of Conduct, and its Securities Trading Policy; R3D Resources' policy on when Directors may seek independent professional advice at the expense of R3D Resources (which is generally whenever Directors, especially Non-Executive Directors, judge such advice necessary for them to discharge their responsibilities as Directors); indemnity and insurance arrangements; ongoing rights of access to corporate information; and ongoing confidentiality obligations.</p> <p>In the case of Executive Directors or other senior executives, the agreements generally set out the information above (to the extent applicable), as well as: descriptions of their positions, duties and responsibilities; the persons or bodies to whom they report; the circumstances in which their services may be terminated; and any entitlements on termination.</p> <p>The Company is required under the ASX Listing Rules to disclose the material terms of any employment, service or consultancy agreement it or a subsidiary enters into with its Chief Executive Officer (CEO) (or equivalent), any of its Directors, and any other person or entity who is a related party of its CEO or any of its Directors. It is also required to disclose any material variation to such an agreement.</p>

<p>Recommendation 1.4</p> <p>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>Yes</p>	<p>The Company Secretary of R3D Resources is accountable directly to the Board, through the Chairperson, on all matters to do with the proper functioning of the Board. The Company Secretary plays an important role in supporting the effectiveness of the Board and its Committees.</p> <p>The role of the Company Secretary includes advising the Board and its Committees on governance matters; monitoring that Board and Committee policies and procedures are followed; co-ordinating the timely completion and despatch of Board and Committee papers; ensuring that the business at Board and Committee meetings is accurately captured in the minutes; and helping to organise and facilitate the induction and professional development of Directors.</p> <p>Each Director is able to communicate directly with the Company Secretary and vice versa. The decision to appoint or remove a Company Secretary is made or approved by the Board.</p>
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: <ul style="list-style-type: none"> (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: <ul style="list-style-type: none"> (A) the respective proportions of men and women on the board, in senior executive positions and across the whole 	<p>Partially</p>	<p>R3D Resources' workforce, including employees, contractors, management and the Board, is made up of individuals with diverse skills, values, backgrounds and experiences that bring to R3D Resources the skills and expertise that are required for the Company to enhance its performance. R3D Resources values diversity and recognises the benefit it can bring in achieving R3D Resources' goals. To this end, R3D Resources has a Diversity Policy Charter that reflects its commitments and objectives, and includes requirements for the Board, and Nomination and Remuneration Committee to annually review performance against these objectives, as part of its annual review of the effectiveness of this Policy Charter.</p> <p>A copy of R3D Resources' Diversity Policy is provided in the document "R3D Resources' Corporate Governance Compliance – Policies" on the website r3d.com.au under Policies.</p> <p>Due to the current early stage, size and composition of the organisation, the Board does not consider it appropriate to provide measurable objectives in relation to gender. The Company is committed to ensuring that the appropriate mix of skills, experience, expertise and diversity are considered when employing staff at all levels of the organisation, and when making new senior executive and Board appointments, and is satisfied that the composition of employees, senior executives and members is appropriate considering its size and environment. R3D Resources has the objective to improve the current ratio of women to men with its proposed staff recruitment as soon as the scale of its operations allows so.</p> <p>R3D Resources will disclose the proportion of men and</p>

<p>workforce (including how the entity has defined “senior executive” for these purposes); or</p> <p>(B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.</p>		<p>women on the Board, in senior executive positions and across the whole organisation in its Annual Reports and will provide further details as to its compliance with these recommendations in its future Annual Reports and in its annual Corporate Governance Statements.</p>
<p>Recommendation 1.6</p> <p>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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>Partially</p>	<p>The Nomination and Remuneration Committee Charter describes the process that R3D Resources uses for evaluating the performance of its Board, its committees and individual Directors, and this Charter is available for review in R3D Resources’ Corporate Governance Compliance - Policies in the About Us section of its website at r3d.com.au under Corporate Governance.</p> <p>R3D Resources will adopt a process whereby its Directors complete Board Evaluation Questionnaires that evaluate the performance of the Board, its committees and individual Directors. In accordance with that process, its first Questionnaire will be issued at the end of this financial year, and thereon the Company will continue to assess the results derived from future Questionnaires, on at least an annual basis as part of the process for periodically evaluating the performance of the Board, its Committees and individual Directors.</p> <p>The Company will provide an update on its compliance with this recommendation its future Annual Reports and Corporate Governance Statements released to ASX and on its website.</p>
<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether</p>	<p>Partially</p>	<p>The Company will adopt a process for evaluating its senior executives using a Senior Executive Evaluation Form. The Board will assess the results of this process on at least an annual basis as part of the process for periodically evaluating the performance of its senior executives. In accordance with that process, its first Questionnaire will be issued at the end of this financial year.</p> <p>The responsibilities of the Board include ratifying other senior executive appointments, organisational changes</p>

<p>a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>		<p>and senior management remuneration policies and practices.</p> <p>The Company will provide an update on its compliance with this recommendation its future Annual Reports and Corporate Governance Statements released to ASX and on its website.</p>
<p>Recommendation 2.1</p> <p>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 at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>Partially</p>	<p>The Board of R3D Resources has appointed a joint Nomination and Remuneration Committee, which consists of three members, a majority of whom are independent Directors, and is chaired by an independent Director.</p> <p>The members of the Committee are:</p> <ul style="list-style-type: none"> • Mr Robert Waring, who is an independent and non-executive Director (Committee Chair) • Dr Stephen Bartrop, who is the Executive Chairperson; • Mr Michael Thirnbeck <p>The Nomination and Remuneration Committee Charter governs the composition, membership, roles and responsibilities of the Directors, and provides recommendations to assist the Board of Directors. The Charter is available in R3D Resources' Corporate Governance Compliance - Policies in the About Us section of its website at r3d.com.au under Policies.</p> <p>The purpose of the Nomination and Remuneration Committee is to provide recommendations to assist the Board with respect to: ensuring the filling of any vacancies on the Board with the best possible candidate through the use of executive search firms and/or by direct approach; considering the appointment of additional Directors to provide the expertise to achieve the strategic and economic goals of R3D Resources; ensuring that remuneration policies and practices are consistent with the strategic goals of the R3D Resources and are relevant to the achievement of those goals; reviewing on an annual basis the remuneration of executive Directors, including establishing the overall benefits and incentives; reviewing in consultation with the Chief Executive Officer, remuneration packages of executives reporting directly to the Chief Executive Officer; reviewing non-executive Director's remuneration and benefits; and being responsible for reviewing general incentive schemes and superannuation plans.</p> <p>The Company will provide an update on its compliance with this recommendation its future Annual Reports and Corporate Governance Statements released to ASX and on its website.</p>
<p>Recommendation 2.2</p>	<p>Yes</p>	<p>R3D Resources has and discloses a Board Skills Matrix setting out the mix of skills and diversity that the Board</p>



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<p>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>currently has in its membership. The Skills Matrix is set out in Appendix 1 below. The Corporate Governance Committee has reviewed the collective skills of the Board and will consider the mix in R3D Resources’ professional development initiatives for Directors and in its Board succession planning.</p>
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> (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. 	<p>Yes</p>	<p>The Board considers that Mr Robert Waring is free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of a Director’s judgement, and are able to fulfil the role of independent directors for the purposes of the ASX Recommendations.</p> <p>Dr Stephen Bartrop and Mr Bruce Hills are considered by the Board not to be independent, having regard to the indicators of independence set out in Box 2.3 of the ASX Recommendations.</p> <p>The length of service of each Director as at the date of this Statement is as follows:</p> <ul style="list-style-type: none"> - Dr Stephen Bartrop, appointed on 31 Jan 2017; - Mr Robert Waring, appointed on 9 Jul 2014; and - Mr Bruce Hills, appointed on 19 Sep 2017;
<p>Recommendation 2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>No</p>	<p>The Board does not have a majority of independent Directors due to R3D Resources’ early stage of development and the size of its operations, as a majority of Directors are Executive Directors. The Board will continually re-assess its skills requirements on the basis of the Skills Matrix in order to attract a majority of independent Directors.</p> <p>The Company will provide an update on its compliance with this recommendation its future Annual Reports and Corporate Governance Statements released to ASX and on its website.</p>
<p>Recommendation 2.5</p> <p>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.</p>	<p>No</p>	<p>Due to the size of the Company, the scale of its operations and the early stage of its projects, the Executive Chairperson of the Board of R3D Resources combines the role of the Chairperson and of the CEO of the Company. The Board will seek to have an independent non-executive Chairperson as soon as practical.</p> <p>The Company will provide an update on its compliance with this recommendation its future Annual Reports and</p>

		Corporate Governance Statements released to ASX and on its website.
<p>Recommendation 2.6</p> <p>A listed entity should have a programme 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.</p>	Yes	<p>It is the role of the Nomination and Remuneration Committee to ensure that an effective induction process is implemented for new Board appointees and key executives.</p> <p>Every new Director receives a Letter of Appointment accompanied by: a Director's Deed of Access and Indemnity; information on R3D Resources' policies and charters; and an induction meeting. The Board considers training to develop skills and experience of individual Board members in conjunction with its review of the Skills Matrix. In order to ensure the Board is able to discharge its responsibilities properly, the Nomination and Remuneration Committee has a process whereby Directors can obtain independent professional advice, to develop and maintain their skills and knowledge to perform their role as Directors when necessary at the expense of the Company.</p>
<p>Recommendation 3.1</p> <p>A listed entity should articulate and disclose its values.</p>	Yes	<p>A copy of the Company's Statement of Values is available in the document "R3D Resources' Corporate Governance Compliance – Statement of Values" on the website r3d.com.au under Policies.</p>
<p>Recommendation 3.2</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code. 	Yes	<p>R3D Resources has a Company Code of Conduct that has been fully endorsed by the Board and applies to all Directors, senior executives and employees. The Company Code of Conduct is reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism, and the practices necessary to maintain confidence in the R3D Resources Group's integrity, and to take into account legal obligations and reasonable expectations of R3D Resources' stakeholders.</p> <p>A copy of the Company Code of Conduct is available in the document "R3D Resources' Corporate Governance Compliance – Policies" on the website r3d.com.au under Policies.</p>
<p>Recommendation 3.3</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy. 	Yes	<p>The Company has a Whistleblower Policy, available on the Company's website, which demonstrates the Company's commitment to promote a culture of ethical corporate behaviour.</p> <p>A copy of the Company's Whistle Blower Policy is available in the document "R3D Resources' Corporate Governance Compliance – Whistle Blower Policy" on the website r3d.com.au under Policies.</p>
<p>Recommendation 3.4</p> <p>A listed entity should:</p>	Yes	<p>The Company has an Anti-Bribery and Corruption Policy, available on the Company's website. The Policy</p>

<p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>		<p>outlines the Company's commitment to fair and legal business practices, anti-bribery and corruption.</p> <p>Any material incidents related to Bribery or Corruption will be reported to the Board, or relevant Board Sub-Committee.</p> <p>A copy of the Company's Anti-Bribery and Corruption Policy is available in the document "R3D Resources' Corporate Governance Compliance – Anti-Bribery and Corruption Policy" on the website r3d.com.au under Policies.</p>
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and</p>	<p>Partially</p>	<p>The Board of R3D Resources has a joint Audit and Risk Management Committee, which was established by the Board to review and monitor financial, audit and risk management processes and reporting.</p> <p>The Committee consists of two Executive Directors, and one independent non-executive Director as follows:</p> <ul style="list-style-type: none"> • Mr Robert Waring (Committee Chairperson), non-executive, independent, experienced company secretary and chartered accountant; • Mr Bruce Hills, Executive Director, very experienced in matters of risk, compliance and audit; • Mr Michael Thirnbeck <p>The reason why the majority of Directors of this Committee is not made up of independent Directors is because the most suitably qualified Directors, with greater expertise in the area of accounting and financial controls, are executive Directors.</p> <p>The Chairperson of the Committee, who the Board agreed was the most qualified for this role, is an independent Director, and he is not the Chairperson of the Board and is the only independent member of the Committee.</p> <p>A copy of the Charter of the Audit and Risk Management Committee is available in the document "R3D Resources' Corporate Governance Compliance – Policies" on the website r3d.com.au under Policies. The relevant qualifications and experience of the members of the Committee can be found in the About Us section of the website under Corporate Directory and in the Directors' Report in R3D Resources' Annual Report.</p> <p>R3D Resources will provide an update on its compliance with this recommendation, including the number of Committee meetings and Director attendances at these meetings in its future Annual Reports and Corporate Governance Statements released to ASX and on its website.</p>

<p>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.</p>		
<p>Recommendation 4.2</p> <p>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>Yes</p>	<p>Before it approves R3D Resources' financial statements for a financial period, the Board of R3D Resources receives assurance from the CEO and CFO, via a declaration, that the financial records of the Company 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 R3D Resources, and that their opinion is founded on a sound system of risk management and internal control, and that the system is operating effectively in all material aspects in relation to financial reporting risks.</p>
<p>Recommendation 4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>Yes</p>	<p>The Executive Chairman and Company Secretary are responsible for reviewing all communications to the market to ensure they are full and accurate and comply with the Company's obligations.</p>
<p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	<p>Yes</p>	<p>The Company has a written policy, being its Communications and Disclosure Policy, which complies with its obligations under the ASX Listing Rules and is in R3D Resources' Corporate Governance Compliance - Policies in the About Us section of its website at r3d.com.au under Corporate Governance.</p> <p>The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX, as well as communicating with the ASX.</p>
<p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>Yes</p>	<p>All announcements are circulated to the board before (if material) or immediately after release to the market (if not material).</p>

<p>Recommendation 5.3</p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	<p>Yes</p>	<p>Under the Company's Continuous Disclosure Policy, any written materials containing new price sensitive information to be used in investor presentations are lodged with ASX prior to the presentation commencing.</p> <p>Upon confirmation of receipt by ASX, the material is posted to the Company's website.</p>
<p>Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Yes</p>	<p>The Company provides information about itself and its corporate governance on its website.</p> <p>The section "About Us" of the website contains a Corporate Governance section which contains R3D Resources' Corporate Governance Statement, and a Policies section, which contains R3D Resources' charters and policies.</p> <p>The Investor Centre section contains Reports and Presentations, a link to R3D Resources' ASX Announcements, contact details of R3D Resources' Share Registry and this Prospectus.</p> <p>Biographical information on R3D Resources' Leadership and Executive Teams can be found in the About Us section of the website r3d.com.au.</p> <p>The Contact Us and About Us sections provide shareholders and investors with R3D Resources' contact details.</p>
<p>Recommendation 6.2</p> <p>A listed entity should have an investor relations programme that facilitates effective two-way communication with investors.</p>	<p>Yes</p>	<p>R3D Resources has designed and implemented an investor relations programme to facilitate effective two-way communication with investors.</p> <p>The Company has adopted a Shareholders Communications Policy, which is available in the document "R3D Resources' Corporate Governance Compliance – Policies" on the website r3d.com.au under Policies.</p> <p>The Company actively engages with shareholders at its meetings of security holders, meeting with them upon request and responding to any enquiries they may make from time-to-time.</p>
<p>Recommendation 6.3</p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p>Yes</p>	<p>R3D Resources has disclosed the processes it has in place to facilitate and encourage participation at meetings of security holders in its Shareholders Communications Policy, which is available in R3D Resources' Corporate Governance Compliance - Policies section on its website at r3d.com.au.</p> <p>Written policies that R3D Resources has formed on security holder participation at meetings cover disclosure of price-sensitive information and ensure that the requirements of continuous disclosure are met. These written policies and procedures are designed to enable appropriate communication with, and participation by,</p>

		shareholders. The Company views its meetings of shareholders as an important forum for two-way communication between R3D Resources and its security holders. They provide an opportunity for the Company to impart to security holders a greater understanding of its business, governance, financial performance and prospects, as well as to discuss areas of concern or interest to the Board and management. These meetings also provide an opportunity for security holders to express their views to R3D Resources' Board and management about any areas of concern or interest for them.
<p>Recommendation 6.4</p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	Yes	<p>Shareholders are able to vote on resolutions via the Share Registry Platform, or by submitting proxy forms as outlined in the Notice of Meeting.</p> <p>Voting on all resolutions at meetings of shareholders are decided by a poll.</p>
<p>Recommendation 6.5</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	Yes	<p>The Company gives security holders the option to receive communications from, and send communications to, R3D Resources and its security registry electronically.</p> <p>The Contact Us section of R3D Resources' website contains R3D Resources' contact details and security holders can also choose to sign up to receive periodic email updates on R3D Resources' operations by completing the mailing section of the section Contact Us on its website.</p>
<p>Recommendation 7.1</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of 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,</p> <p>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</p>	Yes	<p>The Board of R3D Resources has a joint Audit and Risk Management Committee to review and monitor financial, audit and risk management processes and reporting, and oversee risk.</p> <p>The Committee consists of one Executive Director, and two independent non-executive Directors as follows:</p> <ul style="list-style-type: none"> • Mr Robert Waring (Committee Chairperson), non-executive, independent, experienced company secretary and chartered accountant; • Mr Bruce Hills, Executive Director, very experienced in matters of risk, compliance and audit; and • Mr Michael Thirnbeck, non-executive, independent director. <p>The Charter of the Committee is available in the document "R3D Resources' Corporate Governance Compliance – Policies" on the website r3d.com.au under Policies.</p> <p>The Company will report periodically on the number of times the Committee met throughout the period and the individual attendances of the members at those meetings.</p>

<p>throughout the period and the individual attendances of the members at those meetings; or</p> <p>(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.</p>		
<p>Recommendation 7.2</p> <p>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>Yes</p>	<p>Management is responsible for designing, implementing and reporting on the adequacy of R3D Resources' risk management and internal control system. Management reports to the Audit and Risk Management Committee on R3D Resources' key risks and the extent to which it believes these risks are being monitored at each Committee meeting.</p> <p>The Audit and Risk Management Committee reviews and monitors R3D Resources' risk management framework, and internal compliance and control systems, at least annually to satisfy itself that it continues to be sound.</p> <p>The Committee will meet twice annually or more frequently if circumstances dictate and the Board will include on its meeting's agenda a risk component to ensure periodical reporting by the Committee to the Board. R3D Resources will disclose whether the risk review has taken place within the stated period.</p>
<p>Recommendation 7.3</p> <p>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, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>No</p>	<p>The Company does not have an internal audit function, due to its size and the scale of its operations.</p> <p>The process R3D Resources employs for evaluating and continually improving the effectiveness of its risk management and internal control processes is the monthly review of its actual versus budget variances in revenue and expenses.</p> <p>The Company will provide an update on its compliance with this recommendation in its future Corporate Governance Statements released to ASX and on its website.</p>
<p>Recommendation 7.4</p> <p>A listed entity should disclose whether it has any material</p>	<p>Yes</p>	<p>The Audit and Risk Committee identifies and manages potential or apparent business, economic, environmental and social sustainability risks (where appropriate). Review</p>

<p>exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>		<p>of the Company’s risk management framework is conducted at least twice a year.</p> <p>To the extent the Company is exposed to economic, environmental and social sustainability risks, the Company has disclosed such risks in section 9 in this Prospectus and the Company intends to disclose such information in future annual reports.</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,</p> <p>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 at those meetings; 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>Yes</p>	<p>The Board of R3D Resources has appointed a joint Nomination and Remuneration Committee, which consists of three members, a majority of whom are independent Directors, and is chaired by an independent Director.</p> <p>The members of the Committee are:</p> <ul style="list-style-type: none"> • Mr Robert Waring (Committee Chairman), who is an independent and non-executive Director; • Dr Stephen Bartrop, who is the Executive Chairperson; and • Mr Michael Thirnbeck, independent, non-executive director. <p>The Nomination and Remuneration Committee Charter governs the composition, membership, roles and responsibilities of the Directors, and provides recommendations to assist the Board of Directors. The Charter is available in R3D Resources’ Corporate Governance Compliance - Policies in the About Us section of its website at r3d.com.au under Policies.</p> <p>The purpose of the Nomination and Remuneration Committee is to provide recommendations to assist the Board with respect to: ensuring the filling of any vacancies on the Board with the best possible candidate through the use of executive search firms and/or by direct approach; considering the appointment of additional Directors to provide the expertise to achieve the strategic and economic goals of R3D Resources; ensuring that remuneration policies and practices are consistent with the strategic goals of the R3D Resources and are relevant to the achievement of those goals; reviewing on an annual basis the remuneration of executive Directors, including establishing the overall benefits and incentives; reviewing in consultation with the Chief Executive Officer, remuneration packages of executives reporting directly to the Chief Executive Officer; reviewing non-executive Director’s remuneration and benefits; and being responsible for reviewing general incentive schemes and superannuation plans.</p>
<p>Recommendation 8.2</p> <p>A listed entity should separately disclose its policies and</p>	<p>Yes</p>	<p>The Company will separately disclose its policies and practices regarding the remuneration of R3D Resources’ Non-Executive Directors and the remuneration of its Executive Directors in the Remuneration Report in R3D</p>



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<p>practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>		<p>Resources' Annual Report. Information about the Remuneration of Directors is available in section 11.8 of this Prospectus.</p>
<p>Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it. 	<p>Yes</p>	<p>R3D Resources has proposed an equity-based remuneration scheme, being its Employee Stock Option Plan (ESOP), which is summarised in section Error! Reference source not found. of this Prospectus. The Company has a policy that participants in the ESOP are not permitted to enter into transactions (whether through the use of derivatives or otherwise) that limit the economic risk of participating in the scheme. You will find the Securities Trading Policy in the document "R3D Resources' Corporate Governance Compliance – Policies" on the website r3d.com.au under Policies.</p>
<p>Recommendation 9.1 A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</p>	<p>N/A</p>	
<p>Recommendation 9.2 A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.</p>	<p>N/A</p>	
<p>Recommendation 9.3 A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer</p>	<p>N/A</p>	

questions from security holders relevant to the audit.

Appendix 1 – Skills Matrix

Skills, Diversity and Experience of the Board	Total out of 5
Position	
Leadership	3
Corporate Governance and Compliance	4
Regulatory Compliance	2
Membership of Governance or Regulatory Bodies	4
Position held on Financial Bodies and Councils	0
Strategy	4
Senior Management positions held outside TNA	5
Directorships held outside TNA	5
CEO / CFO / COO experience	5
General Management	5
Tenure – with TNA for up to three years	4
Tenure – with TNA for over three years	1
Operations	5
Occupational Health and Safety	4
Experience Managing Environment Issues in an Organisation	4
Project Delivery	4
Sector / Industry Experience - Geology / Mining / Processing	4
Geographic Experience – Global	5
Geographic Experience – Asia Pacific	3
International Business	3
Finance	5
Accounting	3
Mergers and Acquisitions / Equity / Capital Markets	5
Experience in Growing a Business	5
Experience in Implementing Capital Projects	5
Banking	1
Business Development	5
Risk Management	4
Marketing	3
Remuneration	5
Government Relations	2
Human Resources Management / People	5



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Skills, Diversity and Experience of the Board	Total out of 5
Professional Services	4
Gender Diversity – worked with women on Boards	4
Technology in Exploration / Mining / Processing	2
Tertiary Qualifications	4
Post-Graduate Business Studies and CA or CPA	4
Residency in Australia	5
Residency outside Australia	0
AICD director's course	1

R3D RESOURCES LIMITED