

CORPORATE GOVERNANCE STATEMENT

The Company's main corporate governance practices are set out below. These practices are generally in line with the ASX Good Corporate Governance and Best Practice Recommendations ("Recommendations").

THE BOARD OF DIRECTORS

The Board takes ultimate responsibility for corporate governance and operates in accordance with the following principles:

- the Board comprises a minimum of four Directors;
- at least one half of the Board should be Non-executive Directors;
- the Chairman should be an independent Non-executive Director elected by the full Board; and
- the Board should comprise Directors at least some of whom have a broad range of skills and experience relevant to the business of the Company.

The Board Charter is available on the Company's website: www.goldencross.com.au

Relevant skills and experience of Directors are set out in the Directors' Report and in the Corporate section of the Company's website

AUDIT COMMITTEE

From 30 June 2017 Rob Thomson was chairman of Audit Committee which comprised three directors Rob Thomson, Ken Hellsten and Yuanheng Wang. From 1 December 2017 the committee comprised of three directors Neil Fearis, Ken Hellsten and Yuanheng Wang with Mr Fearis as Chairman. Committee meeting attendances are disclosed in the Directors' Report.

The purpose of the Audit Committee, as set out in the Charter posted on the website, is to:

- review and report to the Board on the Company's annual report and financial statements
- provide assurance to the Board that it is receiving adequate, up to date, reliable information and
- assist the Board in reviewing the effectiveness of the Company's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting, and
 - compliance with applicable laws and regulations

The Audit Committee is also charged with the responsibility of recommending to the Board the appointment, removal and remuneration of the auditors, and reviewing the terms of their engagement, and the scope and quality of the audit. Details of the procedures for the selection and appointment of the auditors, and for the rotation of the audit engagement partners, are posted on the website.

In fulfilling its responsibilities, the Committee meets with the auditors at least twice each year and receives reports from management and the auditors. The auditors may communicate directly with the Chairman of the Audit Committee and Board. The auditor attends annual general meetings of the Company to answer questions about the audit.

The Audit Committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party, and to obtain external legal or other independent professional advice. The Committee also requires the CEO and Company Secretary/Accountant to sign off on the Company's financial reports and the soundness of the Company's risk management and internal compliance and control systems.

The Committee reports to the full Board after each Committee meeting. Audit Committee minutes are provided to all Directors.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee has comprised of Ken Hellsten and Yuanheng Wang.

The Remuneration Committee Charter is available on the Company's website. The Committee reports to the full Board after each Committee meeting and Remuneration Committee minutes were provided to all Directors.

NOMINATION POLICY

The Company complies with Recommendation 2.4. The Board's Nomination Policy is posted on the Company's website.

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GENDER DIVERSITY

The Company has not complied with Recommendation 3. The board comprises four male directors. At this time, primarily because of the Company's size and emphasis on selecting employees solely on merit, the Company's only formal policy with respect to diversity is to, as a minimum, comply with Australian legislation.

RISK MANAGEMENT

The Company has established a Risk Management Policy, which is posted on the Company's website. Management reports regularly to the Board on its management of material business risks.

The Board has received assurance from the CEO and Company Secretary that the declaration for the financial report, provided in accordance with section 295A of the *Corporations Act*, is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

CONTINUOUS DISCLOSURE POLICY

The Company has written policies and procedures on information disclosure that focus on continuous disclosure of any information concerning the Company and its controlled entities that a reasonable person would expect to have a material effect on the price of the Company's securities. The Company's Continuous Disclosure Policy is posted on the website.

All information disclosed to ASX is immediately posted on the website. When analysts are briefed on aspects of the Company's operations, the material to be used in the presentation is released to ASX and posted on the Company's website.

COMMUNICATIONS POLICY

The Company's Communications Policy is posted on the Company's website.

SECURITIES TRANSACTION RULES

The Company has in place written Securities Transaction Rules. They bind Directors, officers and employees of the Company and prohibit trading in the Company's securities of anyone in possession of price-sensitive information. They may only trade in the Company's securities or securities of the Company's joint venture partners after notifying the Chairman, CEO, or Company Secretary respectively of their intentions to trade. The Securities Transaction Rules have been notified to the ASX and are posted on the Company's website.

CORPORATE CONDUCT

The Board has adopted policies on Ethics and the Environment. On 7 October 2015, the Board adopted a new policy on Health, Safety, Environment, and Community replacing the policy adopted on 26 June 2014. These policies seek to foster high standards of conduct and integrity among employees, officers, and directors. The policies are posted on the Company's website.

INDEPENDENT PROFESSIONAL ADVICE

Directors have the right, in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. The Company will only meet that expense if they obtain the advice after obtaining the Chairman's prior written approval, which will not be unreasonably withheld.

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