

# ioneer Ltd

## Corporate Governance Statement

### Year Ended 30 June 2019

Iioneer Ltd (the **Company**) is committed to having the highest standards of ethical behaviour and an effective system of corporate governance for the Company, commensurate with the size of the Company and the scope of its business operations.

In accordance with ASX Listing Rule 4.10.3, set out below are the applicable ASX Corporate Governance Council's eight Principles and Recommendations 4<sup>th</sup> edition (**ASX Governance Principles**) and how the Board has applied each principle and recommendation for the financial year ended 30 June 2019.

The Company is fully supportive of the 'if not, why not' disclosure-based approach to governance adopted by the ASX Governance Principles and the recognition within them that there is no single model of corporate governance and that good corporate governance practice is not restricted to adopting the recommendations contained in the ASX Governance Principles. The Company's policies and practices comply with the ASX Governance Principles except to the extent otherwise indicated.

#### **Principle 1: Lay solid foundations for management and oversight**

##### *1.1 Roles & responsibilities of the Board and management*

The Board operates in accordance with the Board and Governance Charter (published on the Company's website). In carrying out its responsibilities, the Board will at all times recognise its overriding responsibility to act honestly, fairly, diligently and in accordance with the duties and obligations imposed upon it by the Company's constitution and the law.

Among other things, the Board has specific responsibility for:

- (a) ensuring the Company is properly managed by overseeing the appointment and where appropriate the removal of the Managing Director, the Company Secretary and the Chief Financial Officer;
- (b) implementing and monitoring all capital budgets and annual financial budgets;

- (c) monitoring the financial performance of the Company;
- (d) approving and monitoring financial and other reporting, including the annual and half yearly financial reports and liaising with the Company auditors;
- (e) reviewing procedures and practices employed in relation to health, safety and the environment and to assess their adequacy;
- (f) monitoring continuous disclosure policy and procedures; and
- (g) conducting regular reviews of the Company's corporate governance policies particularly policies that must change as a result of the growth of the Company.

The Board must convene regular meetings with such frequency as is sufficient to appropriately discharge its duties and responsibilities.

The Board may establish committees to assist it in carrying out its responsibilities, consisting of such members as it thinks fit. The Board shall adopt charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters the Board may consider appropriate.

The Managing Director is responsible for managing the affairs of the Company under delegated authority from the Board and implements the policies and strategy set by the Board. The Managing Director is responsible for delivering timely and accurate information to the Board. The role of management is to support the Managing Director. Management is required to report directly to the Managing Director, however if a matter concerns the Managing Director, management is required to report to the Chairman.

##### *1.2 Process for appointment of a new Director or senior executive*

Prior to the appointment of a Director to the Board, or the appointment of a new senior executive, the Board will determine what pre-appointment checks are appropriate to be undertaken in the circumstances. Relevant details in respect of each Director standing

for election or re-election by shareholders are contained within the explanatory notes of the Notice of Annual General Meeting. In addition, a profile of each director and senior executive is included in the Annual Report.

### 1.3 Written agreements with Directors and senior executives

Each Director and senior executive have signed a written agreement setting out the terms of their appointment.

### 1.4 Company Secretary

The Company Secretary is accountable to the Board, through the Chairman, on relevant matters to do with the proper functioning of the Board.

### 1.5 Diversity policy

It is a core goal of the Board, as expressed in our developing human resource policies, to seek the best people to work across our team. The Board seeks individuals who share a common commitment to our mission including our commitment to diversity as a whole.

The Company seeks to encourage greater diversity and recognises that it is important to effectively nurture and develop potential available talent. Early identification and development of female talent is significant in ensuring that there are appropriately qualified and experienced women for consideration when positions become available.

Until very recently, the Company had only two full time employees, one of whom was a woman. In respect of the reporting period ended 30 June 2019, given the size and scope of the business and the Company's low number of employees, the Board did not set measurable objectives for achieving gender diversity on the basis that such objectives were considered necessary.

In recent years, with exploration success in our cornerstone project at Rhyolite Ridge, the company's market capitalisation has led to our inclusion in the ASX300. We remain a small team with a highly prospective project.

The current proportion of women across the Company's board, senior executive positions and across the whole workforce generally is approximately 17%. Given the Company is in a growth phase, and that the Company is

seeking to target and encourage female Board members and female employees at senior and more junior levels of management, it is anticipated that the proportion of women on the board, in senior executive positions and across the workforce will increase in future reporting periods. For the purposes of diversity reporting, senior executives include the Managing Director and those employees with a direct report into the Managing Director.

The Company's future is tied to our ability to deliver in the coming months a robust definitive feasibility study, offtake agreements and to securing financing. If successful, we expect to expand our team significantly as we look to develop the project. In such a case, our Board has determined to target a female as our next Board member and will continue to target females at senior levels of management. Such a change is expected to take time and to be matched to project delivery.

The Board has adopted a Diversity Policy, a copy of which is available on the Company's website. The Diversity Policy requires the Board to set measurable objectives for obtaining gender diversity.

The Company is not a 'relevant employer' under the Workplace Gender Equality Act.

Considering the above, the Board has set the following measurable objectives for gender diversity within the next 3 reporting periods:

Measure	Targeted Female Proportion
Board	30%
Senior Management	30%
Whole organisation	30%

These targets are expected to be met as the Company develops the Rhyolite Ridge Project from feasibility, through construction and into operations over the next 3 years.

The Board intends to review the diversity statistics within the Company on an ongoing basis and to use those measures to formulate ongoing measurable objectives.

### 1.6 Performance assessment for Board and Committees

The Board will, with the advice and assistance of the Nomination and Remuneration Committee, review and evaluate the

performance of the Board, each Board committee and each individual Director against the relevant charters, corporate governance policies, and agreed goals and objectives. The requirement for these evaluations is set out in the Board and Governance Charter. The Board undertook a formal performance evaluation of the Board, committees and each Director in August 2019.

### *1.7 Performance assessment for Senior Executives*

During the reporting period, performance reviews for the Managing Director and each senior executive were undertaken. The Nomination and Remuneration Committee has accountability in its charter to oversee these reviews and report to the Board on their outcomes. Disclosures in the remuneration report are made in relation to each reporting period as to the performance evaluations that were undertaken and the process that was followed.

## **Principle 2: Structure the Board to add value**

### *2.1 Appointment and renewal*

The Board has formed a Nomination and Remuneration Committee. The charter for the Nomination and Remuneration Committee is available on the Company's website. Membership of the Nomination and Remuneration Committee is:

- John Hofmeister (Chairman, independent, non-executive director);
- James D Calaway (independent, non-executive director); and
- Alan Davies (independent, non-executive director).

The Nomination and Remuneration Committee held two meetings during the financial year of which all members attended. Details of the committee members' attendance at those meetings can be accessed in the Directors' Report within the Annual Report.

### *2.2 Board skills matrix and independence*

The Board has been structured to ensure that it has the necessary skills and expertise considering the circumstances of the Company and can effectively represent

stakeholder interests. These skills and expertise include the areas of mining, geology, oil & gas, corporate finance, legal, accounting and capital markets.

The Board as presently constituted provides an effective mixture of skills and expertise in order to achieve the Company's strategic objectives.

### *2.3 Independence*

In determining whether a Director is "independent", the Board has adopted the definition of this word in the ASX Recommendations. Consequently, a Director will be considered "independent" if that Director is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than those of an individual security holder or other party. The Board will consider the materiality of any given relationship on a case-by-case basis, with the Board Charter to assist in this regard.

The Board considers that James D Calaway, Alan Davies, Patrick Elliott and John Hofmeister are independent Directors, free from any business or any other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the independent exercise of those Directors' judgement and each is able to fulfil the role of an independent Director for the purposes of the ASX Recommendations.

### *2.4 Majority independence*

The Board is comprised of the following five members, a majority of whom are independent.

- James D. Calaway was appointed to the Board on 5 April 2017;
- Bernard Rowe was appointed to the Board on 23 August 2007;
- Alan Davies was appointed to the Board on 23 May 2017;
- Patrick Elliott was appointed to the Board on 30 April 2003: and
- John Hofmeister was appointed to the Board on 23 May 2017.

Biographical information in respect of each Director is set out in the Company's Annual Report.

### 2.5 Chairman's independence

The Chairman is an independent director and facilitates the effective contribution of all directors at Board meetings. The roles of Chair and Managing Director (who performs the functions of the CEO) are exercised by different individuals.

### 2.6 Induction of Board members

All non-executive directors have had an induction into the business of the Company prior to accepting their appointment and have received continuing information on the Company and its operations since being appointed. The induction process has included site visits and presentations by management. Directors are also given access to continuing education in relation to the Company extending to its business, the industry in which it operates, and other information required by them to discharge the responsibilities of their office.

## **Principle 3: Act lawfully, ethically and responsibly**

### 3.1 Values

In November 2019, the Company changed its name from Global Geoscience Limited to Ioneer Ltd. As part of this exercise much thought was given to who we are as 'ioneers'.

Our vision is to see a world in which our global population, our environment and all future generations are thriving.

Our values are being imaginative, caring, committed and responsible.

What we believe?

- Every individual is entitled to affordable, clean energy.
- We have a responsibility to be custodians of our planet.
- What we do today will have consequences for decades to come.
- Doing good is the right thing to do.
- Intentions are easy to spot.
- We thrive when we are helping others to thrive.

How we act?

- We recognise each of our actions has implications.
- We put our imaginations to work in service of better energy solutions.
- We know our reputation is on the line every day.
- We work for what is in the best interest of all.
- We strive to make our actions match our words.

### 3.2 Code of Conduct

The Company's Code of Conduct can be found in the Corporate Governance section of the Company's website. In addition to the Company's Trading Policy, the Code of Conduct, together with the Company's other corporate governance policies, are designed to ensure that the Directors, senior executives, employees and the Company act lawfully, ethically and responsibly, bearing in mind the Directors' duties under the Corporations Act and the interest of the Company's shareholders and stakeholders.

### 3.3 Whistleblower Policy

Following 30 June 2019, the Company adopted a Whistleblower Policy which has been approved by the Board and can be found in the Corporate Governance section of the Company's website.

### 3.4 Anti-bribery and corruption policy

Following 30 June 2019, the Company has adopted an Anti-bribery Policy which has been approved by the Board and can be found in the Corporate Governance section of the Company's website.

## **Principle 4: Safeguard integrity in corporate reporting**

### 4.1 Audit and Risk Committee

The Board has formed a combined Audit and Risk Committee. The charter for the Audit and Risk Committee is available on the Company's website. Membership of the Audit and Risk Committee is:

- Patrick Elliott (Chairman, independent, non-executive director);
- John Hofmeister (independent, non-executive director); and

- Alan Davies (independent, non-executive director).

The Audit and Risk Committee held three meetings during the financial year. Details of the committee members' attendance at those meetings together with the relevant qualifications and experience of the Committee members can be accessed in the Directors' Report within the Annual Report.

#### 4.2 Written affirmations

Prior to approving the Company's financial statements, the Board receives from the Managing Director (who performs the functions of the CEO) and the Chief Financial Officer written affirmation concerning the Company's financial statements required by the Corporations Act as set out in the Directors' Declaration in the Company's Annual Report. In respect of the financial statements for each financial year, the Board also receives from the Managing Director and Chief Financial Officer a written declaration that, in their opinion, 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 the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

#### 4.3 Process for verifying the integrity of the periodic corporate report

The process for verifying the integrity of the Company's periodic corporate reports released to the market (that are not audited or reviewed by the Company's external auditor) is detailed in the governance disclosures within the Annual Report.

### **Principle 5: Make timely and balanced disclosure**

#### 5.1 Continuous disclosure obligations policy

The Board has established a written Disclosure policy and a written Shareholder Communication policy to ensure compliance with the Company's ASX Listing Rule 3.1 continuous disclosure obligations and to ensure accountability for compliance. The Disclosure policy and the Shareholder

Communication policy are available on the Company's website.

#### 5.2 Copies of all material market announcements

The Company has procedures in place to ensure the Board receives copies of all material market announcements promptly after they have been made.

#### 5.3 Release of investor presentation materials

The Company has a procedure in place to ensure that before any new or substantive investor or analyst presentation is made, copies of the presentation materials are released via the ASX Market Announcements Platform.

### **Principle 6: Respect the rights of security holders**

#### 6.1 Website

The Company aims to provide shareholders with comprehensive and timely access to Company information, documents and releases through the investor relations section of the Company's website, [www.ioneer.com](http://www.ioneer.com). The Company's website contains information about the Company, including shareholder communications, market releases and related information, relevant media releases, the Company's financial data and its charters and policies.

#### 6.2 Investor relations

The Company has an investor relations program to facilitate effective two-way communication with investors.

#### 6.3 Shareholder meetings

The Board has adopted a Shareholder Communication policy and provides shareholders with opportunities to have questions addressed at shareholder meetings.

#### 6.4 Substantive resolutions at shareholder meetings

The Company will ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than a show of hands.

## 6.5 Electronic Communication

The Company continues to embrace technology in making information and participation easier and more accessible for shareholders. This includes using the technology developed by our registrar to facilitate email communication as well as online voting for general meetings of the Company.

### **Principle 7: Recognise and manage risk**

#### 7.1 Audit and Risk Committee

The Board has formed a combined Audit and Risk Committee to oversee risks of the Company. The members of the Audit and Risk Committee consists of the following persons:

- Patrick Elliott (Chairman, independent, non-executive director);
- John Hofmeister (independent, non-executive director); and
- Alan Davies (independent, non-executive director).

The chair of the committee is an independent director of the Company and the majority of committee members are independent directors. The Audit and Risk Committee held three meetings during the financial year. Details of the committee members' attendance at those meetings can be accessed in the Directors' Report within the Annual Report.

The charter for the Audit and Risk Committee is available on the Company's website.

A review of the risk management statement has been carried out by the Audit and Risk Committee during this financial year.

#### 7.2 Risk Management Framework

The Company, as an exploration company, faces inherent risks in its activities, including economic, environmental and social sustainability risks which may have a material impact on the Company's ability to create value for its shareholders.

The Board regularly, and at least annually, monitors the operational and financial performance of the Company's activities. It monitors and receives advice on areas of operation and financial risks and considers strategies for appropriate risk management.

The Board conducted a review of the Company's risk management framework during the financial year ended 30 June 2019. All operational and financial strategies adopted are aimed at improving the value of the Company's shares. However, the Directors recognise that natural resource exploration and evaluation is inherently risky.

#### 7.3 Internal audit

The Company does not have a formal internal audit function due to its current size. The Audit and Risk Committee monitors the need for an internal audit function. The Company's management periodically undertakes an internal review of financial systems and processes and where systems are considered to require improvement, these systems are developed. The Company's external auditor is consulted to provide advice to the Audit and Risk Committee. At this stage the Company's operational and financial functions are not complex, and all expenditure authorisations are undertaken in accordance with a comprehensive matrix of delegated authority.

#### 7.4 Material exposure to environmental or social risks

The Company, as an exploration company, faces inherent risks in its activities, including environmental and social risks which may have a material impact on the Company's ability to create value for its shareholders. The Company manages those risks by ensuring systems are in place to assess, manage, monitor and report on these risks and that these systems are rigorously tested to ensure that they are operating effectively at all stages of the risk management cycle.

### **Principle 8: Remunerate fairly and responsibly**

#### 8.1 Nomination and Remuneration Committee

The Board has formed a combined Nomination and Remuneration Committee. The members of the Nomination and Remuneration Committee consists of the following persons:

- John Hofmeister (Chairman, independent, non-executive director);
- James Calaway (Company Chairman, independent, non-executive director).

- Alan Davies (independent, non-executive director).

The chair of the committee is an independent director of the Company and the majority of committee members are independent directors. The Nomination and Remuneration Committee held two meetings during the financial year of which all members attended. Details of the committee members' attendance at those meetings can be accessed in the Directors' Report within the Annual Report.

The charter for the Nomination and Remuneration Committee is available on the Company's website.

### *8.2 Remuneration Policy*

The Board has adopted a remuneration policy for non-executive directors, executive directors and other senior executives. More

detail on policy and practice in this area can be found in the remuneration section of the Directors Report included in the Annual Report.

### *8.3 Equity-based remuneration scheme*

The Company's Trading Policy specifically prohibits Directors and senior executives from engaging in short-term trading in the Company's securities. The Trading Policy can be accessed in the Corporate Governance section of the Company's website.

**Approved by the Board of Ioneer Ltd.**

**Dated:** 17 August 2019