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## CORPORATE GOVERNANCE STATEMENT

June 2020

The Board of Directors of Bardoc Gold Limited is responsible for the Corporate Governance of the group. The Company continues to embrace the ASX Principles of Good Corporate Governance and Best Practice Recommendations.

Commensurate with the spirit of the Recommendations, the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for corporate governance practices, taking into account factors such as the size of the Company and Board, resources available and past and current activities of the Company. The Corporate Governance information is available on the Company's website at [www.bardocgold.com](http://www.bardocgold.com) along with the ASX Appendix 4G, a checklist cross-referencing the ASX Principles and Recommendations to disclosures in this statement, the current company annual report and the Company website. The Company will update its Corporate Governance practices and measure against the 4<sup>th</sup> edition of the Corporate Governance Principles and Recommendations during the financial year ending 30<sup>th</sup> June 2021.

This statement outlines the main Corporate Governance practices that were in place throughout the 2020 financial year.

### Principle 1 – Lay solid foundations for management and oversight

The Board has adopted a charter which sets out the role and function of The Board. The Board has considered and identified the functions reserved to the Board and those functions that are delegated to Senior Executives. A copy of this is available on the Company website. In carrying out its responsibilities and exercising its powers, the Board at all times recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the law in serving the interests of the Shareholders, as well as its employees, customers, and the community.

The Company has in place a written agreement with each Director and any senior executives or consultants setting out the terms of their appointment. The Board recognises the importance of a formal Performance Evaluation but as the Board has evolved following the mergers with Aphrodite Gold Limited and Excelsior Gold Limited, it believes that a formal Performance Evaluation is not required at this point in time. Informal discussions are undertaken during the course of the year in relation to the performance of board members and any senior executives. During the year, the Board undertook a skills review matrix that allows each board member to self-identify their level of experience, knowledge necessary for a skilled, balanced and high-performing Board that is sustained for the future.

The Board has in place an annual review of the Chief Executive Office including setting key performance indicators. In addition annual performance reviews are conducted with management and staff.

The Board does not believe that any Director has served on the board for a period which could, or be perceived to, materially interfere with his ability to act in the best interests of the Company.

If it is necessary to appoint a new Director to fill a vacancy on the Board or to complement the existing Board, a potential base of possible candidates is considered and, if required, external consultants may be

engaged to assist in the selection process. Appropriate checks are undertaken prior to any appointment, including (but not limited to) references, qualifications, criminal record and bankruptcy history. An informal induction program is undertaken by the Company Secretary for any new appointments to the Board.

The Company Secretary is accountable to the board on all matters to do with the proper functioning of the board.

All material information about a candidate standing for election or re-election is included in the Notice of meeting to security holders.

Directors are encouraged to undertake continuing education relevant to the discharge of their obligations as Directors of the Company. Subject to prior approval of the Board, the reasonable cost of such education is met by the Company. Directors are regularly briefed on any relevant changes to legislation and practices that may affect the Company.

### Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. Bardoc is a forward thinking and dynamic organisation that holds its people in the highest esteem and considers them to be its greatest asset. The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. Accordingly, the Company has established a diversity policy, which is available on the Company's website.

The Company recognises that the mining and exploration industry can often be male dominated in many of the operational sectors and the pool of women with appropriate skills may be limited in some instances, however, the board notes and supports the increase of women involved in the mining and junior exploration sector. Where possible, the Company will seek to identify suitable candidates for board positions from a diverse pool that is not limited by gender, age, ethnicity or cultural background.

This diversity policy outlines requirements for the Board to develop measurable objectives for achieving diversity, and annually assess both the objectives and the progress in achieving those objectives. Accordingly, the Board has developed the following objectives regarding gender diversity and aims to achieve and maintain these objectives over the next five years as/if any director and senior executive positions become vacant and appropriately qualified candidates become available:

	Diversity Objectives		Progress at 30 June 2020	
	No.	%	No.	%
Women appointed to the Board	-	-	-	-
Women to senior management roles	1	20	1	33.33
Women across the whole organisation	3	20	7	35.29

The Company conducts its operations as a listed entity in accordance with Principle 1, other than in relation to the matters specified below:

Recommendation	Notification of Departure	Explanation of Departure
<p><b>Recommendation 1.6</b> A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its</p>	<p>The Board has not conducted a formal Performance Evaluation.</p>	<p>The Board recognises the importance of a formal Performance Evaluation but as the Board has evolved following the mergers with Aphrodite Gold Limited</p>

Recommendation	Notification of Departure	Explanation of Departure
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		and Excelsior Gold Limited, it believes that a formal Performance Evaluation is not required at this point in time. Informal discussions are undertaken during the course of the year in relation to the performance of board members and any senior executives. It will continue to consider the efficiencies and merits of a more formal Performance Evaluation of the Board, its committees and individual Directors.

## Principle 2 – Structure the Board to add value

### Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office are detailed in the annual report of the Company.

The names of the Directors and date of appointments are:

Board of Directors	Date of appointment	Independent
Peter Buttigieg	4 January 2018	Yes
John Young	29 June 2017	No
Neil Biddle	29 June 2017	No
Rowan Johnston	3 October 2018	No
Tony Leibowitz	13 March 2019	Yes

The Company currently has a Board of five Non-Executive Directors.

As an overriding principle, the Board seeks a mix of skills suitable for a junior resources company listed on the Australian Securities Exchange. A summary of the key board skills matrix is set out below:

Director/Skills	Capital Markets	Resources Industry	Mining/ Engineering	Finance/HR	Listed Company
Peter Buttigieg	√	√		√	√
John Young	√	√	√		√
Neil Biddle	√	√	√		√
Rowan Johnston	√	√	√		√
Tony Leibowitz	√	√		√	√

When determining whether a Non-Executive Director is independent, the Director must not fail any of the following materiality thresholds:

Less than 10% of Company shares are held by the Director and any entity or individual directly or indirectly associated with the Director;

No material sales are made to or purchases made from any entity or individual directly or indirectly associated with the Director; and

None of the Director's income or the income of an individual or entity directly or indirectly associated with the Director is derived from a contract with any member of the economic entity other than income derived as a Director of the entity.

The Board also acknowledges the grant of Performance Rights to Non-Executive Directors is contrary to the Recommendations on Independence, however, the Board considers the grant of Performance Rights is reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, whilst maintaining the Company's cash reserves. The Board also notes that it is common in the junior exploration industry to award rights to Executive and Non-Executive Directors. The Board considers that in view of the financial, legal and other responsibilities assumed by Directors of public companies, the payment of monetary Directors' fees alone is often not an adequate reward and does not provide an adequate incentive to keep Board members and Directors of the requisite level of experience and qualifications. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options or Rights.

As Mr Young, Mr Biddle and Mr Johnston served as Executive Directors during the 19/20 year they are not considered to be Independent in accordance with the Corporate Governance & Recommendations.

Each Director has the right of access to all relevant Company Information and to the Company's Executives and, subject to prior consultation with the Chairman, may seek independent professional advice in the furtherance of their duties as Directors at the Company's expense.

The Board recognises the importance of an Independent Chairman and the benefits it brings to board deliberations.

The Company conducts its operations as a listed entity in accordance with Principle 2, other than in relation to the matters specified below:

Recommendation	Notification of Departure	Explanation of Departure
<p><b>Recommendation 2.1</b> Nomination Committee</p>	<p>The Board has decided not to form a Nomination Committee</p>	<p>The Board continues to believe that no efficiencies or other benefits would be gained by establishing a separate Nomination Committee. In any event, the Board has adopted a Nomination Committee Charter which is equally suited to use by the full Board or a subcommittee. The Board regularly reviews whether it has the appropriate balance of skills, knowledge, and experience suitable for a Company in the junior resources sector.</p>
<p><b>Recommendation 2.4</b> A majority of the Board should be Independent Directors</p>	<p>The Company did not have a majority of independent Directors.</p>	<p>In June 2017, Mr Biddle and Mr Young joined the Bardoc Board. As part of the merger with Excelsior, Mr Johnston joined the board initially as an Executive Director and then as a Non-Executive Director. In March 2019 Mr Leibowitz joined the board as Non-Executive Chairman. The Company notes that a majority of Independent Directors may be desirable over the longer term, but will also keep</p>

Recommendation	Notification of Departure	Explanation of Departure
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in mind the specific needs of the Company in the short to medium term.

### Principle 3 – Promote ethical and responsible decision making

The Company has adopted a code of conduct for Directors and Executives with the overriding principle that Directors and Executives must act honestly, in good faith and in the best interest of Bardoc Gold Limited ('the Company') as a whole. A copy of the code of conduct is available on the Company website.

In addition, the Company has adopted a share trading policy regarding Directors and employees trading in its securities of the Company. The overriding principle in dealing with any securities is contained in the insider trading provisions of the Corporations Act and provides that a person cannot buy or sell shares when they are in possession of information which isn't generally available, which could reasonably be expected to have a material effect on the share price of a company if that information was generally available. In addition, there are certain closed periods where trading in the Company's securities is not permitted. A copy of the share trading policy is available on the Company website.

### Principle 4 – Safeguard integrity in Financial Reporting

The Board has established an Audit & Risk Committee and adopted a formal charter. The purposes of the Audit & Risk Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to the external reporting of financial information, the internal control and operational risk management framework, the independence and effectiveness of audit and compliance with laws and regulations. A copy of the charter is available on the Company website.

During the year, the company had the following members of the Audit & Risk Committee:

- Rowan Johnston - Chairman
- Peter Buttigieg – Non-Executive Director

During the year, the Audit Committee met twice. The Board reviews the performance of the External Auditor on an annual basis. The Company currently requires the partner managing the audit for the External Auditor be changed within a period of five years from engagement. It is a requirement of the Company that the External Auditor attend the Annual General Meeting of the Company.

The Company conducts its operations as a listed entity in accordance with Principle 4, other than in relation to the matters specified below:

Recommendation	Notification of Departure	Explanation of Departure
<p><b>Recommendation 4.1</b></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>The Board has only two Directors on the Audit Committee and was only chaired by an Independent Director for part of the year</p>	<p>During the year the Board was comprised of either four or five Directors. The Audit Committee includes at least one Independent Non-Executive Director.</p>

The Board, before it approves the financial statements for a financial period, receives from the CEO and the Company Secretary/CFO equivalent 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.

### Principle 5 – Make timely and balanced disclosure

The Company is committed to complying with the continuous disclosure obligations of the Corporations Act and the listing rules of Australian Securities Exchange Limited (ASX). The Company has adopted a written policy on disclosure of information, a copy of which can be found on the Company website.

The Company Secretary has been appointed as the person responsible for communications with the Australian Securities Exchange. In addition, the Company Secretary has responsibility for overseeing and coordinating disclosure of information and communicating with the Chief Executive Officer and the Board in relation to continuous disclosure matters.

The company adopted an enhanced securities trading policy that includes specific requirements during closed periods.

### Principle 6 – Respect the rights of Shareholders

Bardoc Gold Limited recognises the right of Shareholders to be informed of matters, which affect their investments in the Company. The Board aims to ensure that the Shareholders are informed of all major developments affecting the Company. The Company has adopted a written policy on Shareholder communication, a copy of which can be found on the Company website.

The Board encourages participation of Shareholders at the Annual General Meeting and on occasion provides a presentation on the Company which is also lodged with the Australian Securities Exchange Limited (ASX). The Company's share registrar Computershare and its PR advisor Read Corporate encourages shareholders to receive communications electronically.

The Company's Auditor, Bentleys, is required to attend the Annual General Meeting and is available to answer questions from Shareholders about the conduct of the annual audit.

## Principle 7 – Recognise and manage risk

The Company is a junior resource entity moving from exploration stage to Definitive Feasibility Study on the Bardoc Gold project. The Board is responsible for risk oversight and management. Day to day responsibility is delegated to the Chief Executive Officer. During the year, the board established a Risk management framework and have previously established and implemented a safety management program. It is proposed that the board will review the risk management framework annually. The Chief Executive Officer is responsible for Risk management and the Company Secretary will manage the Company's internal controls. The Audit & Risk Committee will oversee corporate, project and financial risk management and internal compliance.

During the year, the company had the following members of the Audit & Risk Committee:

- Rowan Johnston - Chairman
- Peter Buttigieg – Non-Executive Director

During the year, the Audit & Risk Committee met twice

The Chief Executive Officer and Company Secretary have declared in writing to the Board, that the financial reporting, risk management and associated compliance and controls have been assessed and found to be operating efficiently and effectively. Due to the size and level of operations of the Company, the Company does not have a formal internal audit function with any relevant matters considered by the Audit & Risk Committee.

The Company does not believe it has any current material exposure to economic, environmental and social sustainability risks but it does monitor Australian and global share and capital markets closely.

The Company conducts its operations in accordance with the Principle 7, other than in relation to the matters specified below:

Recommendation	Notification of Departure	Explanation of Departure
<b>Recommendation 7.1</b> The Board should establish a Risk Committee	The Board has formed a separate Audit & Risk Committee comprising two Non-Executive Directors	Due to the size and development phase of the Company, the Board has formed an Audit & Risk Committee. All matters pertaining to Risk Management are dealt with by this Committee and the full Board, taking independent advice if required.
<b>Recommendation 7.2</b> The Board should review the risk management framework at least annually	The Board adopted a Risk management framework during the year	Due to the size and development phase of the Company, the Board has only recently adopted a risk management framework and proposes to review this annually.



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

Details in relation to the Company’s remuneration policy are disclosed in each Annual and Directors’ Report.

The Company recognises that it operates in a competitive environment and to operate effectively, it must attract, motivate and retain key personnel. The Board of Directors and key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Compensation levels for key management personnel of the Company are competitively set to attract and retain appropriately qualified and experienced Directors and Executives.

The compensation structures take into account:

- The capability and experience of the key management personnel;
- Size of the Group;
- The key management personnel’s ability to control the performance;
- The Group’s exploration success and identification of new investments; and
- Results of Feasibility Studies and growth in Mineral Resources.

The Company has adopted the Employee Performance Rights and Options Plan (“ESOP”) which was approved by shareholders at the November 2019 Annual General Meeting. The Board considers length of service, seniority, responsibilities, potential contribution and any other relevant matters in determining eligibility of participants.

The structure for the remuneration of non-executive directors is separate and distinct from that of Executive management. The Board policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. Directors may also participate in the ESOP subject to approval by shareholders at a general meeting. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors’ interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

The Board acknowledges the grant of Share Options and Performance Rights to Non-Executive Directors is contrary to the Recommendations, however, the Board considers the grant of Director Options and Performance Rights is reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, whilst maintaining the Company’s cash reserves. The Board also notes that it is common in the junior exploration industry to award options or rights to Non-Executive Directors.

The Board considers that in view of the financial, legal and other responsibilities assumed by Directors of public companies, the payment of monetary Directors’ fees alone is often not an adequate reward and does not provide an adequate incentive to keep Board members and Directors of the requisite level of experience and qualifications.

The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options or Rights.



The Company conducts its operations in accordance with the Principle 8, other than in relation to the matters specified below:

Recommendation	Notification of Departure	Explanation of Departure
<p><b>Recommendation 8.1</b> The Board should establish a Remuneration Committee</p>	<p>The Board has not formed a separate Remuneration Committee</p>	<p>Due to the size and development phase of the Company, the Board has no formal Remuneration Committee. All matters pertaining to remuneration are dealt with by the full Board, taking independent advice if required. In July 2020, the Company engaged Stellar HR to review and provide recommendations on the company’s executive remuneration, framework and provide human resource and organisational development services as the Company works towards completion of the Definitive Feasibility Study and the planned transition from explorer to producer.</p>

The Company has a policy for Trading in Company Securities, which is binding on all Directors and employees. A copy of this policy is available on the Company’s website. In addition, the Company prohibits the hedging of any options or rights granted under the Bardoc rights and option plan. This relates to vested and unvested rights and options. Prohibited hedging practices include put/call arrangements over “in money” options or rights that may limit the risk of participating in the grant of share options or rights. The Board considers such hedging to be against the spirit of the grant of share options or rights and inconsistent with shareholder objectives.

Further information about the Company's corporate governance practices are set out on the Company's website at [www.bardocgold.com](http://www.bardocgold.com)

This Statement is made with a resolution of the Directors.

**RUSSELL HARDWICK**  
**COMPANY SECRETARY**

Dated at Perth this 18<sup>th</sup> day of September 2020.