Rules 4.7.3 and 4.10.3[1]

Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

Name of entity

Jadar Resources Limited

ABN / ARBN

ACN 009 144 503

Financial year ended:

30 June 2020

Our corporate governance statement[2] for the above period above can be found at:[3]

☐ These pages of our annual report:

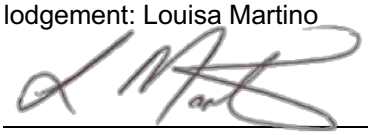
X This URL on our website:
www.jadar.com.au

The Corporate Governance Statement is accurate and up to date as at 30 June 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date: 29 September 2020

Name of Director or Secretary authorising lodgement: Louisa Martino



[1] Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

[2] "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

[3] Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

[4] If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		**We have followed the recommendation in full for the whole of the period above. We have disclosed …**	**We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …**[4]
1.5	A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	… the fact that we have a diversity policy that complies with paragraph (a): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of our diversity policy or a summary of it: ☐ at [*insert location*] … and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and the information referred to in paragraphs (c)(1) or (2): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): X in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and the information referred to in paragraph (b): X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.7	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	… the evaluation process referred to in paragraph (a): X in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and the information referred to in paragraph (b): X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	[If the entity complies with paragraph (a):] … the fact that we have a nomination committee that complies with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☐ at [*insert location*] … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] [If the entity complies with paragraph (b):] … the fact that we do not have a nomination committee and the processes we employ 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: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	… our board skills matrix: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		**We have followed the recommendation in full for the whole of the period above. We have disclosed …**	**We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …**[4]
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	… the names of the directors considered by the board to be independent directors: X in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and, where applicable, the information referred to in paragraph (b): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and the length of service of each director: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	… the fact that we follow this recommendation: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	… the fact that we follow this recommendation: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	… our code of conduct or a summary of it: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	[If the entity complies with paragraph (a):] … the fact that we have an audit committee that complies with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☐ at [*insert location*] … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] [If the entity complies with paragraph (b):] … the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	… our continuous disclosure compliance policy or a summary of it: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	… information about us and our governance on our website: X at jadar.com.au	☐ an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	… our policies and processes for facilitating and encouraging participation at meetings of security holders: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	… the fact that we follow this recommendation: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	[If the entity complies with paragraph (a):] … the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☐ at [*insert location*] … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] [If the entity complies with paragraph (b):] … the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	… the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound: X in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and that such a review has taken place in the reporting period covered by this Appendix 4G: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		**We have followed the recommendation in full for the whole of the period above. We have disclosed …**	**We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …**[4]
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] … how our internal audit function is structured and what role it performs: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] [If the entity complies with paragraph (b):] … the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	… whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed …	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …[4]
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	[If the entity complies with paragraph (a):] … the fact that we have a remuneration committee that complies with paragraphs (1) and (2): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] … and a copy of the charter of the committee: ☐ at [*insert location*] … and the information referred to in paragraphs (4) and (5): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*] [If the entity complies with paragraph (b):] … the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	X an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	… separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	… our policy on this issue or a summary of it: X in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement **OR** ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		**We have followed the recommendation in full for the whole of the period above. We have disclosed …**	**We have NOT followed the recommendation in full for the whole of the period above. We have disclosed …**[4]
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	*Alternative to Recommendation 1.1 for externally managed listed entities:* The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	… the information referred to in paragraphs (a) and (b): ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement
-	*Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	… the terms governing our remuneration as manager of the entity: ☐ in our Corporate Governance Statement **OR** ☐ at [*insert location*]	☐ an explanation why that is so in our Corporate Governance Statement

JADAR RESOURCES LIMITED

2020 CORPORATE GOVERNANCE STATEMENT

The Board is responsible for establishing the Company's corporate governance framework, the key features of which are set out below. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations (**Recommendations**). To the extent applicable, commensurate with the Company's size and nature, the Company has adopted the Recommendations.

The Board seeks, where appropriate, to provide accountability levels that meet or exceed the Recommendations.

The Company's main corporate governance policies and practices are outlined below and further details on the Company's corporate governance procedures, policies and practices are able to be obtained from the Company website at www.jadar.com.au.

This Corporate Governance Statement is current as at 30 June 2020 and has been approved by the Board of Jadar Resources Limited.

1. ASX Corporate Governance Council Principles and Recommendations

Board of Directors

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

The Board of the Company is responsible for:

(i) the overall operation and stewardship of the Company and its subsidiaries;

(ii) charting the direction, strategies and financial objectives for the Company; and

(iii) monitoring the implementation of those policies, strategies and financial objectives,

and is committed to protecting and enhancing shareholder values and conducting the Company's business ethically and in accordance with the highest standards of corporate governance.

Under the leadership of the Chairperson, the Board is responsible for setting the strategic direction for the Company, establishing goals for management and monitoring the achievement of these goals.

The Managing Director or Chief Executive Officer is responsible to the Board for the executive and day-to-day management, operation and administration of the Company in accordance with the strategy and policies approved by the Board. The senior management team is responsible to the Managing Director and/or Chief Executive Officer and the Board relative to their particular areas of responsibility. The Managing Director and/or Chief Executive Officer is accountable to the Board for all authority delegated to the position.

The Company Secretary reports directly to the Board and supports the Board by advising on governance matters, monitoring implementation of policy and procedures, co-ordinating and timely despatch of Board papers and ensuring minutes accurately capture the business conducted at Board meetings.

Composition of the Board

Election of Board members is substantially the province of the Shareholders in Shareholder meeting. As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's Constitution provides that the maximum number of Directors is ten and the minimum number of Directors is three. The Company has four Directors serving on the Board as at 30 June 2020. Detailed biographies of these Directors are provided in the Company's Annual Report.

When a vacancy exists, through whatever cause, candidates for Board positions are nominated by the Remuneration and Nomination Committee for consideration by the Board and the whole Board decides on the recommendations of new directors made by the Committee.

In selecting new members for the Board, regard shall be had to the appropriate skills and characteristics needed by the Board as a whole. The Board shall endeavour to appoint individuals who would provide the mix of director characteristics, diverse experiences and background, perspectives and skills appropriate for the Company.

Potential new Directors are subject to appropriate and prudent background and screening checks prior to appointment. Board candidates must stand for election at the next general meeting of shareholders following such appointment, where information is set out to shareholders including; biographical details, other material directorships, any material adverse information revealed by checks and details of interest, position, association or relationship that might have influence.

A letter of appointment is entered into with new directors and contains key terms and conditions relevant to that appointment.

Ethical Standards

The Board is committed to the establishment and maintenance of appropriate ethical standards and has adopted a Code of Conduct that sets ethical standards to guide and enhance the conduct and behaviour of Directors, Officers, Employees and Consultants. The Code of Conduct is available on the Company's website at www.jadar.com.au.

Independence of the Board

The Board is responsible for the overall governance of the Company. Issues of substance affecting the Company are considered by the Board, with advice from external advisors as required. Each Director must bring an independent view and judgment to the Board and must declare all actual or potential conflicts of interest on an ongoing basis. Any issue concerning a Director's ability to properly act as a Director must be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

The Company considers that a Director is an independent Director where that Director is free from any business or other relationship that could materially interfere, or be perceived to interfere with, the independent exercise of the Director's judgement. The Company has also assessed the independence of its Directors having regard to the requirements for independence which are set out in Principle 2 of the ASX Corporate Governance Principles.

In accordance with the Company's definition of independence, and the materiality thresholds set, the Company has reviewed the positions and associations of each of the 4 Directors and considers that 2 Directors are not independent as follows:

Name	Status	Length of Service to 30 June 2020
Luke Martino	Not Independent	2.5 years
Adrian Paul	Not Independent	3 months
Steven Dellidis	Independent	17 months
Jim Malone	Independent	2 months

The Board will assess the independence of new Directors upon appointment, and the independence of other Directors, as appropriate.

The majority of the Board is not independent. To assist the Directors with independent judgement, it is the Board's policy that if a Director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the Director first obtains approval from the Chairman or independent Directors for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

Board Charter

The functions and responsibilities of the Board are set down in the Company's Board Charter, which has been prepared having regard to the ASX Corporate Governance Principles. A copy of the Company's Board Charter is available on the Company's website at www.jadar.com.au.

Monitoring of Board and Senior Executive Performance

In order to ensure that the Board continues to discharge its responsibilities in an appropriate manner, the performance of the Board and all individual directors is reviewed annually by the Nominations and Remuneration Committee in accordance with the Company's documented Performance Evaluation Criteria (refer Annexure 3 of the Nomination and Remuneration Committee Charter available on the Company's website at www.jadar.com.au). This annexure also includes the process for annually assessing the performance of key executives within the Company. Performance evaluations were undertaken during the reporting period.

Board's Role in Risk Management Oversight

The Board's role in risk oversight includes receiving reports from management and the Audit & Risk Committee on a regular basis regarding material risks faced by the Company and applicable mitigation strategies and activities. Those reports detail the effectiveness of the risk management program and identify and address material business risks such as risks relating to conduct of business, regulatory and compliance risks, reputational risks, reporting and IT systems as they relate to business continuity. The Board and its committees consider these reports, discuss matters with management and identify and evaluate any potential strategic or operational risks including appropriate activity to address those risks.

Board Committees

As set out below, the Board has established two standing committees to facilitate and assist the Board in fulfilling its responsibilities. The Board may also establish other committees from time-to-time to assist in the discharge of its responsibilities.

Each committee has the responsibilities described in the relevant committee charter adopted by the Company (which have been prepared having regard to the ASX Corporate Governance Principles). A copy of the charters for the below committees is available on the Company's website at www.jadar.com.au.

Audit and Risk Committee

The purpose of the Committee with respect to audit is to assist the Board of Directors of the Company in fulfilling its corporate governance and oversight responsibilities by monitoring and reviewing:

- the integrity of financial statements;
- the effectiveness of internal financial controls;
- the independence, objectivity and competency of internal and external auditors;
- the policies on risk oversight and management; and

- making recommendations to the Board in relation to the appointment of external auditors and approving the remuneration and terms of their engagement.

The Committee is also to assist the Board in fulfilling its responsibilities relating to the risk management and compliance practices of the Company.

The Company's risk management policy is designed to provide the framework to identify, assess, monitor and manage the risks associated with the Company's business. Main areas of risk include fluctuating commodity prices and exchange rate fluctuation, political and economic climate, exploration and development and continuous disclosure obligations. The Committee gives regular consideration to these matters.

The Company has in place an internal control framework to assist in identifying, assessing, monitoring and managing risk. This framework includes financial reporting, maintenance of and adherence to the Company's continuous disclosure policy and regular operations reports provided by management.

The Group undertakes minerals exploration in Serbia, Austria and Peru and, as such, faces risks inherent to its business, including economic, environmental and social sustainability risks, which may materially impact the Group's ability to create or preserve value for security holders over the short, medium or long term. The Group views sustainable and responsible business practices as an important long-term driver of performance and shareholder value and is committed to transparency, fair dealing, responsible treatment of employees and partners and positive interaction with the community.

Nomination & Remuneration Committee

The functions of the Nomination and Remuneration Committee include the following:

- assisting the Board in examining the selection & appointment practices of the Company;
- ensuring remuneration arrangements are equitable and transparent and enable the Company to attract and retain executives and Directors who will create sustainable value for members and other stakeholders;
- ensuring the Board is of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- ensuring Directors receive the necessary induction upon appointment to the Board;
- facilitating access to appropriate professional development opportunities for Directors;
- reviewing Board succession plans and Board renewal;
- reviewing the processes for evaluating the performance of the Board, its committees and individual Directors and ensuring that a fair and responsible reward is provided to executives and Directors having regard to their performance and evaluation;
- reviewing levels of diversity within the Company and Board and reporting on achievements pursuant to any diversity policy developed by the Board; and
- reviewing the Company's remuneration, recruitment, retention and termination policies for Board and Senior Executives.

The Company's remuneration and incentive policy is set out in Annexure 2 of the Nomination and Remuneration Committee Charter located on the Company's website and includes

policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and other Senior Executives.

The Company does not have a formal equity-based remuneration scheme, however shares and options can be issued as part remuneration. Securities can only be issued to Company Directors under a resolution at a general meeting of shareholders. The Directors and Senior Executives who participate in equity-based remuneration are prohibited from entering into transactions or arrangements that limit the economic risk of participating in unvested entitlements or entitlements subject to a holding lock.

Diversity

Whilst the Company has not yet formally adopted a Diversity Policy, the Company recognises that a talented and diverse workforce is a key competitive advantage and that success is a reflection of the quality and skills of its people. Diversity assists the business in achieving its objectives and delivering for its stakeholders, by enabling it to attract and retain the most qualified and experienced individuals to the workforce.

The Company's general policy when choosing Employees and Board members is to recruit and manage on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background.

External and Internal Audit

The Company in Shareholder meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors. The Company ensures that its external auditor attends its Annual General Meeting and is available to answer questions for security holders relevant to the audit.

The Company does not currently have a formal internal audit program in place. The Board has considered whether or not it is appropriate or desirable for the Company to have an internal audit function, having regard to the particular circumstances of the Company and its size. At this stage, the Board is satisfied that the establishment of a formal internal audit function is not warranted on the basis of the Company's current scale. This decision will however be kept under review.

The Managing Director equivalent and Chief Financial Officer (CFO) provide a certification to the Board on the integrity of the Company's external financial reports for the half-year and full year. The Managing Director and CFO also provide assurance to the Board that the declaration provided in accordance with section 295A of the Corporations Act 2001 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.

Shareholder Communication Policy

The Board encourages shareholder communication and ensures that shareholders are kept up to date with the Company's activities.

The Company has established procedures to provide shareholders with important information in a timely manner via electronic communication. All information, including financial information, disclosed to the ASX is posted to the Company's website as soon as practicable after release to the market. A copy of the Company's annual report is issued to shareholders who have requested one. The Company's web-site also includes details of the Company's projects, the Company's profile and contact details, corporate governance policies, as well as presentation material provided to investors. The Company recognises the rights of shareholders and encourages the effective exercise of those rights through attendance at annual general meetings and general meetings.

Corporate Governance Policies

The Company has adopted the following policies, each of which has been prepared having regard to the ASX Corporate Governance Principles and are available on the Company's website at www.jadar.com.au.

(i) **Directors' and Executive Officers' Code of Conduct** – This code sets out the standards of ethical behaviour that the Company expects from its Directors, officers and employees.

(ii) **Dealings in Securities Policy** – This policy is designed to maintain investor confidence in the integrity of the Company's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws.

(iii) **Code of Business Conduct** – The Code sets ethical standards for the business of the Company, to guide and enhance the conduct and behaviour of the Company Directors, Officers and Employees and Contractors in performing their everyday roles. The Company will pursue the highest standards of ethical conduct in the interests of all shareholders and all other stakeholders.

(iv) **Disclosure Policy** –The Company needs to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act to ensure the Company discloses to ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Shares. As such, this policy sets out certain procedures and measures which are designed to ensure that the Company complies with its continuous disclosure obligations.

(v) **Communications Policy** – This policy sets out practices which the Company implements to ensure effective communication with its Shareholders.

2. Departures from Recommendations

The Company is required to report any departures from the Recommendations in its annual Corporate Governance Statement.

The Company's compliance and departures from the Recommendations are detailed in the table below.

Principles and Recommendations	Explanation for Departures
1.5 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy.	Diversity includes, but is not limited to gender, age, ethnicity and cultural background. 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. However, given the size of the Company and its Board, the Company's Corporate Governance Plan does not include a policy specifically addressing diversity. The Board does not consider it necessary to have a diversity policy but will consider implementing one in the future. At present the Company does not currently have any women on the Board. The Company Secretary is female. The Company will continue to monitor diversity as the Company and its operations grow and expand.
2.1 The Board of a listed entity should have a nomination committee which consists of at least three members, a majority of whom are Independent Directors.	The Company does have a nomination committee however, due to the Company's size and that of the Board, this committee currently consists of a majority of directors who are not independent. As the Company grows in size, the Company will consider appointing additional members.
2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.	The Company supports the appointment of Directors who bring a wide range of business and professional skills and experience. While the Company does not disclose a formal skills matrix, it does consider Director's attributes prior to any appointment. The qualifications, skill and expertise relevant to the position of Director held by each Director is included in the Company's Annual Report.
2.4 A majority of the Board of a listed entity should be Independent Directors	The majority of the Board is not independent. To assist the Directors with independent judgement, it is the Board's policy that if a Director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a Director then, provided the Director first obtains approval from the Chairman or Independent Directors for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.

Principles and Recommendations	Explanation for Departures
2.5 The chair of the Board of a listed entity should be an Independent Director and, in particular, should not be the same person as the CEO	The chair is not an Independent Director. The Company believes that given the size and scale of its operations, non-compliance with this recommendation is not detrimental. It is the Board's view that the Company's corporate governance principles, the quality, stature and substantive business knowledge of the members of the Board of Directors, as well as the Board's culture of open communication are conducive to Board effectiveness.
4.1 The Board of a listed entity should have an audit committee of at least three members that are non-executive, and a majority of whom are Independent Directors	The Company does have an audit committee however, due to the Company's size and that of the Board, this committee currently consists of two members both of whom are non-executive Directors. As the Company grows in size, the Company will consider appointing additional members.
7.1 The Board of a listed entity should have a risk committee of at least three members.	The Company does have a risk committee however, due to the Company's size and that of the Board, this committee currently consists of two members one of whom is an Independent Director. As the Company grows in size, the Company will consider appointing additional members.
8.1 The Board of a listed entity should have a remuneration committee of at least three members, a majority of whom are independent	The Company does have a nomination committee however, due to the Company's size and that of the Board, this committee currently consists of a majority of directors who are not independent. As the Company grows in size, the Company will consider appointing additional members.