

CORPORATE GOVERNANCE STATEMENT AND POLICIES

reviewed and updated 29 September 2018

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CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement of Gateway Mining Limited (**the 'Group'**) has been prepared in accordance with the 3rd Edition of the Australian Securities Exchange's ('**ASX**') Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council ('**ASX Principles and Recommendations**'). The Group is required to disclose the extent to which it has followed the recommendations during the financial year, including reasons where the Group has not followed a recommendation and any related alternative governance practice adopted.

Both this Corporate Governance Statement and the ASX Appendix 4G have been lodged with the ASX. This statement has been approved by the Group's Board of Directors ('**Board**') and is current as at 27 September 2018.

The following governance related documents can be found on the Group's website at <http://www.gatewaymining.com.au>, under the section marked, 'Corporate Governance'.

Charters:

- Board
- Audit Committee
- Nomination Committee
- Remuneration Committee

Policies and Procedures:

- Code of Conduct
- Continuous Disclosure
- Selection and Appointment of New Directors
- Trading in Company Securities
- Assessing the Independence of Directors
- Independent Professional Advice
- Selection, Appointment and Rotation of External Auditor
- Performance Evaluation of the Board, Board Committees, Individual Directors and Key Executives
- Compliance Strategy (summary)
- Shareholder Communication Strategy
- Risk Management Policy

The ASX Principles and Recommendations and the Group's response as to how and whether it follows those recommendations are set out below.

Principle 1: Lay Solid Foundations for Management and Oversight

Recommendation 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 Group has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter.

The Board is collectively responsible for promoting the success of the Group through its key functions of overseeing the management of the Group, providing overall corporate governance of the Group, monitoring the financial performance of the Group, engaging appropriate management commensurate with the Group's

structure and objectives, involvement in the development of corporate strategy and performance objectives, involvement in the development of corporate strategy and performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance. Senior executives are responsible for supporting the managing director and assisting the managing director in implementing the running of the general operations and financial business of the Group in accordance with the delegated authority of the Board. Senior executives are responsible for reporting all matters which fall within the Group's materiality thresholds at first instance to the managing director, or, if the matter concerns the managing director, directly to the chairman or the lead independent director, as appropriate.

Recommendation 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.**

Before appointing a director, or putting forward to shareholders a director for appointment, the Group undertakes comprehensive reference checks that cover elements such as the person's character, experience, employment history and qualifications. Directors are required to declare each year that they have not been disqualified from holding the office of director by the Australian Securities and Investments Commission ('ASIC').

An election of directors is held each year. A director that has been appointed during the year must stand for election at the next Annual General Meeting ('AGM'). Retiring directors are not automatically re-appointed.

The Group has provided in the Director's Report (in the Annual Report) information about each candidate standing for election or re-election as a director that the Board considers necessary for shareholders to make a fully informed decision. Such information includes the person's biography, which includes experience and qualifications, details of other directorships, and any material information which may affect the person's ability to act independently on matters before the Board, and whether the Board supports the appointment or re-election.

Recommendation 1.3 - A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

The terms of the appointment of a non-executive director are set out in writing and cover matters such as the term of appointment, required committee work, notice requirements and other special duties and remuneration entitlements.

Executive directors and senior executives are issued with service contracts which detail the above matters as well as the circumstances in which their service may be terminated (with or without notice) and any entitlements upon termination.

Recommendation 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 Company Secretary reports directly to the Board through the Chairman and is accessible to all Directors. The Company Secretary's role, in respect of matters relating to the proper functioning of the Board, includes:

- (a) advising the Board and its committees on governance matters;
- (b) monitoring compliance of the Board and associated committees with policies and procedures;
- (c) coordinating all Board business;
- (d) retaining independent professional advisors;
- (e) ensuring that the business at Board and committee meetings is accurately minuted; and
- (f) assisting with the induction and development of directors.

Recommendation 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:**
 - (i) 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**
 - (ii) 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 Board does not intend to set measurable objectives for achieving gender diversity. It is the Board's policy that gender discrimination has no position in the workplace and that men and women must be treated equally and without any discrimination. It is the Board's belief that employment should be on a merit-based system and that a diversity policy may hinder this system due to the size of the organisation.

The respective proportion of women employees in the whole organisation, women in senior executive positions and women on the Board as at the date of this statement are set out in the following table:

	Proportion of women
On the Board	1 out of 4 (25%)
In senior executive positions	0 out of 2 (0%)
Across the whole organisation	1 out of 6 (17%)

Recommendation 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 Chairman is responsible for evaluation of the Board and individual directors. The Board has not established any independent committees.

The Chairman evaluates the performance of the Board and individual directors by way of ongoing review with reference to the compositions of the Board and its suitability to carry out the Group's objectives.

The Board intends to carry out a performance evaluation during the coming period. The Group's process for performance evaluation is disclosed on the Group's website.

Recommendation 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 Chairman in consultation with the Board reviews the performance of the senior executives. The current size and structure of the Group allows the managing director to conduct informal evaluation of the senior executives regularly. Open and regular communication with senior executives allows the Chairman to ensure that senior executives meet their responsibilities as outlined in their contracts with the Group, and to provide feedback and guidance, particularly where any performance issues are evident. Annually, individual performance may be more formally assessed in conjunction with a remuneration review by the remuneration committee.

Senior executives will be evaluated in the coming period upon the anniversary of their engagement with the Group. The Group's Process for Performance Evaluation is disclosed on the Group's website.

Principle 2: Structure the Board to Add Value.

Recommendation 2.1 - The board of a listed entity should:

- (a) have a nomination committee which:**
 - (i). has at least three members, a majority of whom are independent directors; and**
 - (ii). is chaired by an independent director,**
- (b) and disclose:**
 - (i). the charter of the committee;**
 - (ii). the members of the committee; and**
 - (iii). 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**
- (c) 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.**

The Board has not established a separate nomination committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate nomination committee. Accordingly, the Board performs the role of the nomination committee.

Items that are usually required to be discussed by a nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the nomination committee it carries out those functions which are delegated to it by the Group's Nomination Committee Charter, which is available on the Group's website.

The Board deals with any conflicts of interest that may occur when convening as the nomination committee by ensuring that the Director with the conflicting interests is not party to the relevant discussions.

Recommendation 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 Board's skills matrix which it is looking to achieve in its membership includes technical experience, public company experience and financial experience. The Board considers that this composition is appropriate for the effective execution of the Board's responsibilities and the size and operations of the Group.

Recommendation 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 of the ASX Corporate Governance Principles, 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 Board considers that Debra Fullarton is an independent director. Debra is considered independent as she is a non-executive directors who is not a member of management and who is free of any business or other relationship that could materially interfere with or could be reasonably perceived to interfere with, the independent exercise of their judgment.

When considering the independence of a director, the Board considers whether the director:

- (a) is a substantial shareholder of the Group or an officer of, or otherwise;
- (b) associated directly with, a substantial shareholder of the Group;
- (c) is employed, or has previously been employed in an executive capacity by the Group or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- (d) has within the last three years been a principal of a material professional adviser or a material consultant to the Group or another group member, or an employee materially associated with the service provided;
- (e) is a material supplier or customer of the Group or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- (f) has a material contractual relationship with the Group or another group member other than as a director.

Family ties and cross-directorships may be relevant in considering interests and relationships which may affect independence and should be disclosed to the Board.

Details of the Board of directors, their appointment dated, length of service as independence status is as follows:

Director's name	Appointment date	Length of service (approx.)	Independence status
Peter Langworthy	March 2018	7 months	Executive Managing Director
Trent Franklin	February 2013	5 years 8 months	Non-Executive Chairman
Scott Brown	April 2018	6 month	Non-Executive Director
Debra Fullarton	April 2018	6 months	Independent Non-Executive Director

Where it is determined that a non-executive director should no longer be considered independent, the Group shall make an announcement to the market.

Recommendation 2.4 - A majority of the board of a listed entity should be independent directors.

Only one director on the Board is considered independent. The Board considers that the current size and composition of the Board is appropriate for the execution of the Board's responsibilities. To assist 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 for incurring such expense, the Group will pay the reasonable expenses with obtaining such advice.

Recommendation 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/ managing director of the entity.

As stated above in Recommendation 2.4, the Board considers that the current size and composition of the Board is appropriate for the execution of the Board's responsibilities. 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 for incurring such expense, the Group will pay the reasonable expenses with obtaining such advice.

Recommendation 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 Board in its capacity as nomination committee has a responsibility to ensure all new directors are provided with an induction into the Group and that directors have access to ongoing education relevant to their position in the Group.

Principle 3: Act Ethically and Responsibly

Recommendation 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.**

The Group has established a Code of Conduct as to the practices necessary to maintain confidence in the Group's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Code of Conduct is available on the Group's website.

Principle 4: Safeguard Integrity in Corporate Reporting

Recommendation 4.1 - The board of a listed entity should:

- (a) have an audit committee which:**
 - (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and**
 - (ii) is chaired by an independent director, who is not the chair of the board.**
- (b) and disclose:**
 - (i) the charter of the committee;**
 - (ii) the relevant qualifications and experience of the members of the committee; and**
 - (iii) 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**
- (c) 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.**

The Board has not established a separate audit committee and therefore it is not structured in compliance with recommendation 4.1. Given the current size and composition of the Board, the Board believes there would be no efficiencies gained by establishing a separate audit committee. The Board performs the role of audit committee. Items required to be discussed by an audit committee are marked as separate agenda items at Board meetings as required. When the Board convenes as the audit committee it carries out those functions which are delegated to it in the Group's Audit Committee Charter, which is available on the Group's website.

The Board deals with any conflicts of interest that may occur when convening in the capacity of the audit committee ensuring that the director with conflicting interests is not party to the relevant discussions.

The Group has adopted an Audit Committee Charter which describes the role, compositions, functions and responsibilities of the audit committee.

The qualifications of the Board and company secretary are set out on the Group's website.

Recommendation 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/managing director and CFO/company secretary 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.

For the financial year ending on 30th June 2018, the Board received a statement from its Managing Director and Company Secretary, who perform the functions of CEO and CFO respectively, declaring that in their opinion, the financial records of the Group have been properly maintained and comply with the appropriate accounting standards.

Recommendation 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 external auditor attends the Group's AGM and is available to answer questions from security holders relevant to the audit.

Principle 5: Make Timely and Balanced Disclosure

Recommendation 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.**

The Group has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a senior executive level for that compliance. The Company's Directors and management have familiarised themselves with the ASX's continuous disclosure requirements and operate in an environment where strong emphasis is placed on full and appropriate disclosure to the market.

A summary of the Group's Policy on Continuous Disclosure and Compliance Procedure is disclosed on the Group's website.

Principle 6: Respect the Rights of Security Holders

Recommendation 6.1 - A listed entity should provide information about itself and its governance to investors via its website.

The Group maintains information in relation to governance documents, directors and senior executives, Board and committee charters, annual reports, ASX announcements and contact details on the Group's website.

Recommendations 6.2 and 6.3 - A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors (6.2).

A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders (6.3).

The Group has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings. The policy is disclosed on the Group's website.

The Company aims to have all significant information disclosed to the ASX posted on the Company's website as soon as it is disclosed to the ASX. There is also an email address and contact number available to shareholders who have enquiries or are seeking further information. Investors may contact the Company by email at info@gatewaymining.com.au or via telephone at +61 2 8316 3998.

Additionally, a notice of meeting and related communications are provided to the Company's auditor who, in accordance with the Corporations Act, is required to attend the Company's annual general meeting at which shareholders must be given a reasonable opportunity to ask questions of the auditor or their representative. The Directors and management encourage security holders to attend and participate in all meetings of security holders.

Recommendation 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 Group's website allows security holders to receive communications from and send communications to the entity electronically.

Principle 7: Recognise and Manage Risk

Recommendations 7.1 and 7.2 - The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

- (i) has at least three members, a majority of whom are independent directors; and**
- (ii) is chaired by an independent director,**

(b) and disclose:

- (i) the charter of the committee;**
 - (ii) the members of the committee; and**
 - (iii) 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**
- (c) 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 (7.1).**

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 (7.2).

The Board does not have a specific risk management committee. The Board's audit committee as referred to in recommendation 4 above assists with monitoring and reviewing the Group's risk management processes and systems.

The Risk Management Policy, disclosed on the Group website, demonstrates the measures taken and policies implemented to manage risks associated with the Group's business.

The Board has recently received a report from management as to the effectiveness of the management of material business risks.

Recommendation 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.**

Given the size and composition of the Group, the Board has not established an internal audit function, other than the audit committee function which the Board serves as disclosed in recommendation 4 above and in the Audit Committee Charter disclosed on the website. The Board may from time to time engage an external auditor to conduct additional reviews of Group processes.

Recommendation 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.

The risk profile of the Group is as follows:

- Market-related.
- Financial reporting.
- Operational.
- Environmental.
- Economic cycle/marketing.
- Legal and compliance.

These risks are managed using the Risk Management Policy disclosed on the Group's website. Under the policy, the Board is responsible for updating the Group's material business risks. In addition, the following risk management measures have been adopted by the Board to manage the Group's material business risks:

- (a) the Board has established authority limits for management, which, if proposed to be exceeded, requires prior Board approval;
- (b) the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Group's continuous disclosure obligations; and
- (c) the Board has adopted a corporate governance manual which contains other policies to assist the Group to establish and maintain its governance practices.

Principle 8: Remunerate Fairly and Responsibly

Recommendation 8.1 - The board of a listed entity should:

(a) have a remuneration committee which:

- (i) has at least three members, a majority of whom are independent directors; and**
- (ii) is chaired by an independent director,**

(b) and disclose:

- (i) the charter of the committee;**
- (ii) the members of the committee; and**
- (iii) 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**

(c) 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.

The Board has not established a separate remuneration committee and accordingly it is not structured in accordance with recommendation 8.1. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate remuneration committee. Accordingly, the Board performs the role of the remuneration committee.

Items usually required of a remuneration committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the remuneration committee, it carries out those functions which are delegated to it by the Remuneration Committee Charter which is disclosed on the Group's website. The Board deals with any conflicts of interest that may occur when convening in the capacity of the remuneration committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

The full Board in its capacity as remuneration committee did not meet during the 2018 financial year however, remuneration related discussions were held by the Board from time to time as required.

Recommendation 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.

Details of remuneration are set out in the remuneration report which forms part of the director's report (in the Annual Report) and is set out in the Remuneration Charter on the Group's website. The policy on remuneration clearly distinguishes the structure of non-executive director's remuneration from that of executive directors. Executive directors are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness.

There are no termination or retirement benefits for non-executive directors.

The Group's Remuneration Committee Charter includes a statement of the Group's policy on prohibiting transactions in associated products which limits the risk of participating in unvested entitlements under any equity based remuneration schemes.

Recommendation 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.**

Not applicable. The Group does not have an equity-based remuneration scheme.

LIST OF ADOPTED CHARTERS & POLICIES

CHARTERS

Board Charter

1. The Role of the Board

The role of the Board is to provide leadership for and supervision of the Company's senior management. The Board provides the strategic direction of the Company and regularly measures the progression by senior management of that strategic direction.

2. Role of Senior Management

Those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance are considered to be part of senior management. The role of senior management is to progress the strategic direction provided by the Board. In particular, the chief executive officer, or equivalent, is responsible for the day to day activities of the Company in advancing the strategic direction.

3. Responsibilities of the Board

The primary objective of the Board is to provide strategic guidance and oversight of management. The Board is ultimately responsible for, and has authority over, management of the Company and its controlled entities.

The Board is collectively responsible for promoting the success of the Company by:

- a) overseeing the Company, including its control and accountability systems;
- b) appointing the chief executive officer, or equivalent, for a period and on terms as the directors see fit and, where appropriate, removing the chief executive officer, or equivalent;
- c) ratifying the appointment and, where appropriate, the removal of senior executives, including the chief financial officer and the company secretary;
- d) evaluating the performance of senior executives;
- e) approving the Company's policies on risk oversight and management, internal compliance and control, Code of Conduct, and legal compliance;
- f) satisfying itself that senior management has developed and implemented a sound system of risk management and internal control in relation to Financial reporting risks and reviewed the effectiveness of the operation of that system;
- g) assessing the effectiveness of senior management's implementation of systems for managing material business risk including the making of additional enquiries and to request assurances regarding the management of material business risk, as appropriate;
- h) monitoring, reviewing and challenging senior management's performance and implementation of strategy;
- i) ensuring appropriate resources are available to senior management;
- j) approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;
- k) approving the annual budget of the Company;
- l) monitoring the financial performance of the Company;
- m) purchase, restructure, winding up or sale of business entities, divisions and subsidiaries other than in the ordinary course of business;
- n) purchase or sale of shares in other companies, other than in the ordinary course of business;

- o) ensuring the integrity of the Company's financial (with the assistance of the Audit Committee) and other reporting through approval and monitoring;
- p) providing overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure division of functions remain appropriate to the needs of the Company;
- q) appointing the external auditor (where applicable, based on recommendations of the Audit Committee) and the appointment of a new external auditor when any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company;
- r) engaging with the Company's external auditors and Audit Committee (where there is a separate Audit Committee);
- s) monitoring compliance with all of the Company's legal obligations, such as those obligations relating to the environment, native title, cultural heritage and occupational health and safety; and
- t) make regular assessment of whether each non-executive director is independent in accordance with the Company's Policy on Assessing the Independence of Directors

The Board may not delegate its overall responsibility for the matters listed above. However, it may delegate to senior management the responsibility of the day-to-day activities in fulfilling the Board's responsibility provided those matters do not exceed the Materiality Threshold as defined below.

4. Materiality Threshold

The Board has agreed on the following guidelines for assessing the materiality of matters:

Materiality – Quantitative

Items are also material if:

- a) they impact on the reputation of the Company;
- b) they involve a breach of legislation or may potentially breach legislation;
- c) they are outside the ordinary course of business;
- d) they could affect the Company's rights to its assets;
- e) if accumulated they would trigger the quantitative tests;
- f) they involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items; or
- g) They will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.

Material Contracts

Contracts will be considered material if:

- a) they are outside the ordinary course of business;
- b) they contain exceptionally onerous provisions in the opinion of the Board;
- c) they impact on income or distribution in excess of the quantitative tests;
- d) any default, should it occur may trigger any of the quantitative or qualitative tests;
- e) they are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests;
- f) they contain or trigger change of control provisions;
- g) they are between or for the benefit of related parties; or
- h) they otherwise trigger the quantitative tests.

Any matter which falls within the above guidelines is a matter which triggers the materiality threshold ("**Materiality Threshold**").

5. Statement of Position or Authority

The division of responsibilities between the Chair, the lead independent director, if any, and the Managing Director is set out below.

6. Responsibilities of the Chair

The Chair is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the briefing of all directors in relation to issues arising at Board meetings. The Chair is also responsible for arranging Board performance evaluation. The Chair should facilitate the effective contribution of all directors and promote constructive and respectful relations between directors and between board and senior management.

Any other position which the Chair may hold either inside or outside the Company should not hinder the effective performance of the Chair in carrying out their role as Chair of the Company.

7. Responsibilities of the Independent Director

Where the Chair is not an independent director, an independent director will be appointed. The independent director will take over the role of the Chair when the Chair is unable to act in that capacity as a result of their lack of independence.

8. Responsibilities of the Managing Director

The Managing Director is responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out their responsibilities the Managing Director must report to the Board in a timely manner on those matters included in the Company's risk profile, all relevant operational matters and any other matter that is likely to have to fall within the Materiality Threshold.

All reports to the Board must present a true and fair view of the Company's financial condition and operational results.

The Managing Director is also responsible for appointing and, where appropriate, removing senior executives, including the chief financial officer and the company secretary, with the approval of the Board.

9. Responsibilities of Non-Executive and/or Independent Directors

The Board determines whether each of the non-executive directors of the Company is independent on a regular basis in accordance with its Policy on Assessing the Independence of Directors. The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board. In making this determination, the Board takes into account the skills and experience required, in the context of the Company's operations and activities.

The independent directors may meet without other directors present, if appropriate.

The non-executive directors may meet without senior management present at times scheduled from time to time. Such meetings may be facilitated by the Chair, as appropriate.

10. Responsibilities of Directors and Officers

Individual directors should devote the necessary time to the tasks entrusted to them. All directors should consider the number and nature of their directorships and calls on their time from other commitments. Directors and officers of the Company should be aware of their legal obligations.

11. Responsibilities of Senior Management

Senior Management is responsible for supporting the Managing Director and to assist the Managing Director in implementing the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Senior Management is responsible for reporting all matters which fall within the Materiality Threshold at first instance to the Managing Director or, if the matter concerns the Managing Director, then directly to the Chair or an independent director, as appropriate.

12. Board Meetings

The Board and each Board committee should meet in a prearranged cycle and follow agreed meeting guidelines to ensure all directors are made aware of all agenda items and are provided with all necessary information to enable them to participate in informed discussion.

Subject, to the approval of the Chair, Senior Executives nominated by the Managing Director should attend Board and Committee meetings. However, certain matters will be considered with only the Directors in attendance.

13. Committees of the Board

The Board will establish Committees to assist it in discharging its responsibilities effectively and efficiently.

The Board has established the following standing committees:

- (1) Audit and Risk Committee;
- (2) Remuneration Committee; and
- (3) Nomination Committee.

Each committee should have its own written charter setting out its role and responsibilities, composition, and the manner in which the committee is to operate. Unless the Board, expressly delegates power to a committee, committees will not have decision-making power but will make recommendations to the Board for decision.

The committee charter should be reviewed regularly and should be available on the Company's website.

The Board will:

- (1) appoint the Chairman of each committee;
- (2) appoint the members of each committee; and
- (3) approve any changes to each committee charter.

14. Ethical Standards

Directors must be aware and transparent regarding actual and potential conflicts of interest. The Board should be made aware when a Director believes there is a conflict or potential conflict of interest, to allow assessment of the materiality of the conflict, and ensure the Board processes are carried out appropriately. Unless approval by the Chair, the Director should be absent from discussion and decision on that matter for so long as any conflict exists.

Directors must comply with the Company's Code of Conduct.

Audit and Risk Committee Charter

1. Composition of the Audit and Risk Committee

The Committee shall comprise of the Managing Director and a non-executive director as approved by the Board.

At least one member is to have significant, recent and relevant financial experience.

2. Role of the Audit and Risk Committee

The role of the Audit and Risk Committee is to:

- a) monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgments;
- b) review the Company's internal financial control system and, risk management systems;
- c) monitor and review the effectiveness of the Company's internal audit function (if any); and
- d) perform such other functions as assigned by law, the Company's constitution, or the Board.

Specifically, the Committee's role is to report to the Board and provide appropriate advice and recommendations on matters relevant to this charter in order to facilitate the decision making by the Board.

3. Operations

The committee meets at least once bi-annually, with further meetings on an as required basis;

Minutes of all meetings of the committee are to be kept. Committee meetings will be governed by the same rules, as set out in the Company constitution as they apply to the meetings of the Board.

Relevant members of management and the external auditor may be invited to attend meetings.

The committee shall meet with the external auditor without management present, as required.

4. Authority and Resources

The Company is to provide the Committee with sufficient resources to undertake its duties, including provision of educational information on accounting policies and other financial topics relevant to the Company, and such other relevant materials requested by the Committee.

The Committee will have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Committee will have the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisors.

5. Reporting to the Shareholders

The directors' reports are to contain a separate section that describes the role of the committee and what action it has taken.

The chairperson of the audit committee is to be present at the annual general meeting to answer questions, through the chairperson of the Board.

6. Responsibilities

The Audit and Risk Committee shall:

- (i) evaluate the internal control environment;
- (ii) oversee and appraise the coverage and quality of the audits conducted by the Company's internal and external auditors;
- (iii) oversee and appraise the adequacy and quality of the Company's process for recognising, managing and monitoring risks associated with its operations and conduct of its business activities;
- (iv) maintain open lines of communications among the Board, the internal auditors and the external auditors to exchange views and information, as well as confirm the auditors respective authority and responsibilities;
- (v) serve as an independent and objective party to review the financial information presented by management to shareholders, analysts and the general public;
- (vi) oversee and appraise the framework for managing compliance with the Corporations Act, ASX Listing Rules and any other applicable requirements;
- (vii) consider any other matters referred to it by the board.

The Specific duties of the Audit Committee shall be:

Internal Control

Evaluate whether management is setting the appropriate "control culture" by communicating the importance of internal control and the management of risk and ensuring that all employees have an understanding of their roles and responsibilities.

Evaluate the Company's exposure to fraud.

Gain an understanding of whether internal control recommendations made by internal and external auditors have been implemented by management within the appropriate timeframe.

Financial Accounting Compliance

Evaluate the adequacy and effectiveness of the Company's administrative, operating and accounting policies through active communication with management, internal auditors and external auditors.

Require reports from management, the internal auditors and external auditors on any significant proposed regulatory, accounting or reporting issue, to assess the potential impact upon the Company's financial reporting process.

Evaluate the adequacy of the Company's management information and accounting control system by reviewing written reports from the internal and external auditors, and monitor management's responses and actions to correct any noted deficiencies.

Monitor the standard of corporate conduct in areas such as arms-length dealing and potential conflicts of interest.

External Reporting

Review all financial reports and any correspondence regarding the Company's financial reporting or related matters prior to public release. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

Gain an understanding of the current areas of the greatest financial risk and how management is managing these effectively.

Review the Annual and half-year financial statements with the relevant parties and the external auditor and recommend acceptance to the Board with particular reference to:

- (i) the nature and impact of any changes to accounting policies and practices;
- (ii) outstanding contingent liabilities, including existing and potential legal actions against the Company, its controlled entities or its Board;
- (iii) significant adjustments resulting from the audit;
- (iv) compliance with accounting standards and the Corporations Act, ASX Listing Rules and other legislative and reporting requirements.

Review the other sections of the annual report before its release and consider whether the information is understandable and consistent with members' knowledge about the Company and its operations

External Audit

Recommend to the Board annually or as otherwise determined by the Board, the appointment of external auditors.

Discuss problems and reservations arising before the interim and final results, and any matters the external auditor may wish to discuss. The Audit and Risk Committee, or the Chairman of the Committee, may meet with the external auditors, in the absence of management as requested by either the Committee or the external auditors.

Review reports prepared by external audit and management's response. Review all representation letters signed by management and be satisfied that the information provided is complete and appropriate.

Periodically assess the external auditor's independence by considering the relationships and services provided by the external auditors and others that may lead to actual or perceived lack of independence.

The Audit and Risk Committee will require the external auditors to confirm, in writing, that they have complied with all professional and regulatory requirements relating to auditor independence prior to the announcement of the results for each period.

The Audit and Risk Committee will recommend to the Board, on a totally transparent basis, the appropriate disclosure in the financial statements of the details of fees paid to the external auditors.

Internal Audit

Recommend to the Board the appointment of the internal auditor, with internal auditor reporting directly to the Chairman of the Audit and Risk Committee.

Review the activities and resources of the internal audit function and ensure no unjustified restrictions or limitations are made.

Ensure coordination between the internal and external auditors and management.

Monitor the progress of the internal audit program and, together with any additional investigative reviews, consider the implications for the control environment. Meet separately with the internal auditor to discuss any matters that the committee or the internal auditor believe should be discussed privately.

Risk Management

Oversee and appraise the adequacy and quality of the Company's process for recognising, managing and monitoring risks associated with its operations and conduct of its business activities.

Receive and endorse a quarterly update from management (or as deemed necessary by the Committee) on the status of the risk management policy employed by the Company.

Identify significant business risks and review the major risks affecting each business segment and develop strategies to mitigate these risks.

Review at least annually the Company's risk management framework.

Review the insurance program at least annually.

Compliance

Review the framework for identifying, monitoring and managing compliance with laws and regulations.

Obtain regular updates from management in relation to compliance with significant statutory requirements.

Other Responsibilities

Review and monitor the governance and audit frameworks for all business interests of the Company and its controlled entities.

Review and monitor related party transactions.

Perform other oversight functions as requested by the Board.

Identify and direct any special projects or investigations deemed necessary.

7. Reporting

The Committee shall:

- (i) update the Board about Committee activities and make appropriate recommendations; and
- (ii) ensure the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

8. Reviews

The Audit and Risk Committee will review its performance on an annual basis. The Audit and Risk Committee should also review this charter and its composition annually to ensure that it remains consistent with the Board's objectives and responsibilities.

Nomination Committee Charter

1. Composition

The Nomination Committee shall comprise the full Board.

2. Role

The role of the Nomination Committee is to determine the state of director nominees for election to the Board and to identify and recommend candidates to fill casual vacancies.

3. Operations

The full Board shall meet as the committee as required.

Minutes of all meetings of the committee are to be kept. Committee meetings will be governed by the same rules as set out in the Company's constitution, as they apply to meetings of the Board.

4. Responsibilities

a) Size and Composition of the Board:

To ensure that the Board has the appropriate blend of directors with the necessary financial expertise and relevant industry experience, the committee shall:

- (i) regularly review the size and composition of the Board, and make recommendations to the Board on any appropriate changes;
- (ii) develop and plan for identifying, assessing and enhancing director competences and provide advice on the competency levels of directors;
- (iii) make recommendations on the appointment and removal of directors; and
- (iv) make recommendations on whether any directors whose term of office is due to expire should be nominated for re-election.

b) Selection Process of new Directors:

- (ii) The committee shall develop criteria for the selection of the candidates to the Board in the context of the Board's existing composition and structure.
- (iii) The committee is empowered to engage external consultants in its search for a new director.
- (iv) The initial appointment of a new director is made by the Board, who will be required to stand for re-election at the Company's next Annual General Meeting.

c) Performance Appraisal Competency:

The committee shall:

- (ii) establish evaluation methods of rating the performance of Board members;
- (iii) implement ways of enhancing the competency levels of directors;
- (iv) consider and articulate the time required by Board members in discharging their duties efficiently;
- (v) undertake continual assessment of directors as to whether they have devoted sufficient time in fulfilling their duties as directors;
- (vi) provide new directors with an induction into the Company; and
- (vii) provide all directors with access to ongoing education relevant to their position in the Company.

Remuneration Committee Charter

1. Composition

The Remuneration Committee will comprise of the Managing Director and non-executive Directors, as approved by the Board.

From time to time, other Board members and non-Board members may be invited to attend Board meetings when remuneration matters are being discussed, if it is considered appropriate.

2. Role

The Board's function as a Remuneration Committee is to fulfil its corporate governance responsibilities with respect to remuneration by reviewing:

- a) remuneration packages of executive Directors, non-executive Directors and senior executives; and
- b) employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

3. Operations

The Remuneration Committee shall meet at least twice a year or otherwise as required. Minutes of such meetings are to be kept and the meetings are to be governed by the same rules as set out in the Company's Constitution, as they apply to meetings of the Board.

Responsibilities

The responsibilities of the Board's function as the Committee include a review of:

- a) the Company's Remuneration Policy and framework;
- b) senior executives' remuneration and incentives; and
- c) superannuation arrangements.

Executive Remuneration

In considering the Company's Remuneration Policy and levels of remuneration for executives, the Board makes decisions which:

- a) motivates executive Directors and senior executives to pursue long term growth and success of the Company within an appropriate control framework;
- b) demonstrates a clear correlation between senior executives performance and remuneration;
- c) aligns the interests of key leadership with the long-term interests of the Company's shareholders; and
- d) prohibits executives from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

To the extent that the Company adopts a different remuneration structure for its executive Directors, the Board shall document its reasons for the purpose of disclosure to stakeholders.

Non-Executive Remuneration

In considering the Company's Remuneration Policy and levels of remuneration for non-executive Directors, the Board is to ensure that:

- a) fees paid to non-executive Directors are within the aggregate amount as stated in the Constitution and as otherwise approved by shareholders and make recommendations to the Board with respect to the need for increases to this aggregate amount at the Company's annual general meeting;
- b) non-executive Directors are remunerated by way of fees (in the form of cash and superannuation benefits);
- c) non-executive Directors are not provided with retirement benefits other than statutory superannuation entitlements; and
- d) non-executive Directors are not entitled to participate in equity-based remuneration schemes designed for executives without due consideration and appropriate disclosure to the Company's shareholders.

To the extent that the Company adopts a different remuneration structure for its non-executive Directors, the Board shall document its reasons for the purpose of disclosure to stakeholders.

Incentive Plans and Benefit Programs

The Board is to:

- a) consider compensation plans, including the use of share options and other equity-based plans. Except as otherwise delegated, the Board will administer equity-based and employee benefit plans, and as such will discharge any responsibilities under those plans; and
- b) ensure that incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide rewards when they are achieved; and
- c) continually review and if necessary improve any existing benefit programs established for employees

Authority and Resources

The Board may seek input from individuals on remuneration policies, but no individual should be directly involved in deciding their own remuneration.

The Board may, when it considers it necessary or appropriate, obtain advice from external consultants or specialists in relation to remuneration related matters.

Engaging Remuneration Consultants

The Board is responsible for engaging Remuneration Consultants. A Remuneration Consultant is a person:

- a) who makes a Remuneration Recommendation under a contract for services with the Company to whose Key Management Personnel the recommendation relates: and
- b) who is not an officer or employee of the Company.

Key Management Personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (whether executive or otherwise) of the Company. A Remuneration Recommendation is defined in section 9B of the Corporations Act.

The Board will, in accordance with any policies or guidelines set by the Board from time to time:

- a) ensure that the requirements of Part 2D.8 of the Corporations Act are complied with including:
- b) reviewing and approving all remuneration consultancy contracts (as defined in section 206K(1) of the Corporations Act) before they are entered into by the Company; and
- c) ensuring that any Remuneration Recommendation is provided directly to the non-executive directors (unless the Board consists only of executive directors) and that the Remuneration Recommendation is not provided to a person who is neither a director of the Company or a member of the Remuneration Committee;
- d) put in place arrangements to ensure that a Remuneration Consultant is not unduly influenced by a member or members of Key Management Personnel to whom a Remuneration Recommendation relates;
- e) ensure that the Company's remuneration report includes the details relating to Remuneration Consultants as required by section 300A(1)(h) of the Corporations Act;
- f) authorise the distribution of any Remuneration Recommendation by any person other than the Remuneration Consultant beyond the non-executive directors (unless the Board consists only of executive directors); and
- g) set policies or guidelines to ensure that the Company meets its obligations under the Corporations Act, including its reporting obligations, in relation to Remuneration Consultants.

Reporting

The Committee shall update the Board about Committee activities and make appropriate recommendations. Once the minutes have been endorsed by the Chairman of the Committee, they will be distributed to the Board.

Reviews

The Remuneration Committee will review its performance on an annual basis. The Remuneration Committee should also review this charter and its composition annually to ensure that it remains consistent with the Board's objectives and responsibilities.

POLICIES AND PROCEDURES

CORPORATE

Delegation of Authority

Purpose of this document

To provide clear and understandable processes and accountability for administrative functions and levels of decision making across Gateway Mining Limited ACN 008 402 391 (**Company**).

Principles

- 1) Delegations may be exercised by a person more senior than the person specified in this manual as the delegated authority, where that senior person has a management role which involves responsibility for the delegated authority.
- 2) A position with delegated authority (hereafter, the **DA**) may not delegate any aspect of their authorisation to a person in a less senior position, unless notified by the Project Manager or the Director.
- 3) The Managing Director has authority to exercise any staff delegation outlined in this document.
- 4) The DA must ensure there is funding available in the delegation.
- 5) Delegations are hierarchical. The supervisor of a DA may exercise the same level of authority as that DA, and may also withdraw or restrict such authority.
- 6) The DA is responsible for advising their supervisor of significant developments made even within delegation, and must ensure that the appropriate records are kept.
- 7) A DA relates to the position, not to the person holding that position.
- 8) A DA should not exercise their delegation in a manner so as to approve a recommendation which benefits that DA personally. All employees and DA's are expected to act in the best interests of Gateway Mining Limited and its subsidiaries.
- 9) Unless specifically delegated, it should be assumed that no delegation exists.

Definitions

Board: Means the Board of Directors of the Company.

Director: The person appointed as director of the Company by the Board of the Company.

Company Secretary: The Company Secretary of the Company.

Executive Director: An Executive Director of the Company.

Remuneration Committee: The remuneration committee of the Company as determined by the Board.

Managing Director: The Managing Director of the Company.

Organisation: The Company including all of its controlled entities.

All Staff refers to all of the positions, with the exception of the Board, Director and the Company Secretary.

Senior Management means the Company Secretary and Directors and other key personnel as determined by the Board.

Human Resources Delegation

Function	Applicable to	Delegated Authority
Salaries, contracts and conditions of employment		
Set and approve salaries and salary package content.	All Staff	Remuneration Committee
	Director	Remuneration Committee
Set and approve annual salary increments and any higher duty payments	All Staff	Remuneration Committee
	Director	Remuneration Committee
Approve conditions of employment	All Staff	Remuneration Committee
	Director	Remuneration Committee
Approve and sign staff contracts	All Staff	Director and Company Secretary
	Director	Remuneration Committee
New staff, position descriptions and approving changes to organisational structure		
Approving position descriptions (and changes thereto) and implementing new position descriptions	All Staff	Executive Director
Approve changes to existing position titles	All Staff	Executive Director
Approve deletion of positions	All Staff	Executive Director
Approving a staff member accepting external employment	All Staff	Executive Director
Drafting position descriptions	All Staff	Executive Director
Interviewing and approving new staff	All Staff	Executive Director
Approving changes to organisational structure	Organisation	Board
Dismissal and redundancy		
Recommend redundancy of a position	All Staff	Executive Director
Recommend dismissal of a staff member	All Staff	Executive Director
Decision to make a staff member redundant	All Staff	Executive Director
Decision to dismiss a staff member	All Staff	Executive Director
Overtime, training, expenses, leave		
Approve staff overtime	All Staff	Senior Management
Approve staff time in lieu	All Staff	Senior Management
Approve staff leave	All Staff	Senior Management
Approve staff leave outside or in excess of entitlements	All Staff	Senior Management
Approve long service leave	All Staff	Senior Management
Approve leave without pay	All Staff	Senior Management
Approve attendance at external training courses/conferences	All Staff	Senior Management
Arrange internal training programs for staff	All Staff	Senior Management
Approve expenses above \$500	All Staff	Senior Management
Approve expenses above \$2000	Director	Board

Contracts Delegation

Function	Applicable to	Delegated Authority
Agreements, contracts and submissions		
Approve the purchase of new properties	Organisation	Board
Authorise appointment of external consultants	Organisation	Director
Approve appointment of insurers, details of contract and payment of premiums	Organisation	Director
Approve the sale, purchase and development of land	Organisation	Board
Authority to invite formal tenders for supply of goods and services	Organisation	Senior Management
Authority to choose formal tenders for supply of goods and services	Organisation	Senior Management
Authority to investigate funding opportunities	Organisation	Board
Authority to negotiate agreements	Organisation	Senior Management
Authority to sign agreements, contracts or tenders obtained	Organisation	Senior Management
Authority to make daily operational decisions	Organisation	Senior Management

Legal

Function	Applicable to	Delegated Authority
Legal Matters		
Authority to consult with the Company's legal advisors	Organisation	Senior Management
Approve engagement of Lawyers	Organisation	Director
Authority to purchase legal advice or expertise	Organisation	Senior Management
Authority to settle court, legal or other formal proceedings	Organisation	Board
Authority to approve expenditure on legal matters which are outside the approved budget	Organisation	Director

Policies and Procedures

Function	Applicable to	Delegated Authority
Implementation of policies and procedures		
Approval of organisational procedures	Organisation	Director
Approval of organisational policies	Organisation	Director
Notification of organisational policies and procedures	All Staff	Senior Management
Ensuring compliance with policies and procedures	All Staff	Senior Management

Public and Community Relations

Function	Applicable to	Delegated Authority
Public statements, media contact, and comments on strategic issues		
Approve the use of the company's name or logo to external parties.	Organisation	Executive Director
Authority to delegate specific media responses	Organisation	Executive Director
Authority to request public statements, media contact and comments on strategic issues	Organisation	Executive Director
Authority to respond to ministerial and contentious issues	Organisation	Board
Authority to respond to operational letters of non-contentious nature	Organisation	Senior Management

Financial

Function	Applicable to	Delegated Authority
Budgets		
Approve budget	Organisation	Board
Authority to override delegation (except when delegated to the Board) and make expenditure decisions to ensure budgets are achieved	Organisation	Director
Authority to approve unbudgeted expenditure increases (greater of up to 5% or \$100,000)	Organisation	Senior Management
Authority to approve unbudgeted expenditure increases (greater than 5% or \$100,000)	Organisation	Board
Authorise variations to operational and capital budgets	Organisation	Executive Director
Capital expenditure and asset control		
Approve alterations/ renovations to buildings, projects not included in approved capital budget	Organisation – for expenditure up to \$100,000 on any one project.	Director
	Organisation – for expenditure above \$100,000 on any one project	Board
Authority to replace essential equipment included in approved capital budget/ funding agreements	Organisation – Up to \$50,000 on any one item	Senior Management
	Organisation – Above \$50,000 and below \$100,000 on any one item	Executive Director
	Organisation -Above \$100,000 on any one item	Board
Authority to replace essential equipment not included in approved capital budget/ funding agreements	Organisation – Up to \$50,000 on any one item	Senior Management
	Organisation– between \$50,000 and \$100,000 on any one item	Executive Director
	Organisation -Above \$100,000 on any one item	Board
Authority to sell, trade in or dispose of assets on inventory	Organisation – Up to \$50,000 on any one item	Senior Management

	Organisation– between \$50,000 and \$100,000 on any one item	Executive Director
	Organisation -Above \$100,000 on any one item	Board
Approval of hire of plant equipment or facilities	Organisation	Senior Management
Approve the transfer of any assets	Organisation	Board
Approval of the sale or purchase of land or buildings	Organisational	Board
Approval of the development of Projects	Organisation (up to \$100,000)	Executive Director
	Organisation (over \$100,000)	Board
Approve purchase orders and invoices		
Approve purchase orders	Organisation (up to \$50,000)	Senior Management
	Organisation (over \$50,000 and up to \$200,000)	Executive Director
	Organisation (above \$200,000)	Board
Salaries and Deductions		
Approve staff reimbursement for expenses incurred on behalf of organisation	All Staff	Director
	Company Secretary	Director
	Director	Board
Approval for all payroll transactions	Organisation	Director
Investment		
Approve investment of funds	Organisation	Director
Approve draw down of investment funds for deposit into operational accounts	Organisation	Director
Approve banking and investment account arrangements, including opening new accounts	Organisation	Director
Petty cash		
Authority to operate, control and reimburse petty cash	Organisation	Senior Management
Approval to change and/or add cheque signatories	Organisation	Board
Debts		
Approval to write off bad debts	Organisation (up to \$50,000)	Director
Approval to write off bad debts	Organisation (above \$50,000)	Board
Correct administrative Errors	Organisation	Senior Management
Approve debt recovery payment terms	Organisation	Director

Site Management

Function	Applicable to	Delegated Authority
Agreements, contracts and submissions		
Induction of visitors to the site	Organisation and visitors	Senior Management
Approval of office supply orders	Organisation	Senior Management

Selection, Appointment and Rotation of External Auditor

Responsibility

The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as per the recommendations of the Audit Committee. Any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company.

Selection Criteria

Mandatory criteria: Candidates for the position of external auditor of the Company must be able to demonstrate complete independence from the Company and an ability to maintain independence through the engagement period. Further, the successful candidate must have arrangements in place for the rotation of the audit engagement partner on a regular basis.

Other criteria: Other than the mandatory criteria mentioned above, the Board may select an external auditor based on criteria relevant to the business of the Company such as experience in the industry in which the Company operates, references, cost and any other matters deemed relevant by the Board.

Review

The Audit Committee will review the performance of the external auditor on an annual basis and make any recommendations to the Board.

Performance Evaluation of the Board and Senior Executives

Board and Individual Directors

- The Chair is responsible for evaluation of the Board and individual directors.
- The Board has established a number of committees including an Audit and Risk Committee, Nomination Committee and a Remuneration Committee.
- The Chair evaluates the performance of the Board and individual directors by way of ongoing review with reference to the composition of the Board and its suitability to carry out the Company's objectives. The Chair reports back to the Board as to its performance at least annually.
- The Remuneration Committee evaluates and determines the remuneration of the Board.

Managing Director and Executive Directors

- Given the current size and structure of the Company, the performance of the Managing Director and Executive Directors will be evaluated informally through open and regular communication with the Board during which feedback, guidance and support will be provided.
- Annually, the Managing Director and Executive Directors' performance may be more formally assessed in conjunction with a remuneration review by the Remuneration Committee.

Senior Executives

- The Managing Director in consultation with the Board reviews the performance of the Senior Executives.
- The current size and structure of the Company allows the Managing Director to conduct informal evaluation of the Company's Senior Executives regularly. Open and regular communication with Senior Executives allows the Managing Director to ensure that Senior Executives meet their responsibilities as outlined in their contracts with the Company, and to provide feedback and guidance, particularly where any performance issues are evident.
- Annually, the Senior Executives performance may be more formally assessed in conjunction with a remuneration review by the Managing Director and approved by the Remuneration Committee.

Selection and Appointment of New Directors

New Directors

- 1) The Board in its capacity as the Nomination Committee evaluates the range of skills, experience and expertise of the existing Board. In particular, the Nomination Committee is to identify the particular skills that will best increase the Board's effectiveness. Consideration is also given to the balance of independent Directors on the Board.
- 2) A potential candidate is considered with reference to their skills and expertise in relation to other Board members.
- 3) If relevant, the Nomination Committee recommends an appropriate candidate for appointment to the Board. Any appointment made by the Board is subject to ratification by shareholders at the next general meeting.

Board Renewal

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. Re-appointment of Directors is not automatic.

Size and Composition of the Board

The Board should be structured in such a way that it has a proper understanding of, and competence to deal with, the current and emerging issues of the business and encourages enhanced performance of the Company.

Reference is made to the Company's size and operations as they evolve from time to time.

Commitment to the Board

Non-executive Directors shall provide to the Nomination Committee, prior to their appointment or re-election, details of other commitments and an indication of the time involved in carrying out those other commitments.

All Directors should consider the number and nature of their directorships and calls on their time from other commitments.

Informing Shareholders

Shareholders shall be informed of the names of candidates submitted for election as directors. In order to enable shareholders to make an informed decision regarding the election, the following information shall be supplied to shareholders:

- 1) biographical details (including competencies and qualifications and information sufficient to enable an assessment of the independence of the candidate);
- 2) details of relationships between the candidate and the Company; and the candidate and Directors of the Company;
- 3) directorships held;
- 4) particulars of other positions which involve significant time commitments;
- 5) the term of office currently served by any Directors subject to re-election; and
- 6) any other particulars required by law.

Assessing the Independence of Directors

An Independent Director is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the independent exercise of their judgment.

It is the Board's policy that in determining a director's independence the Board considers the relationships, which may affect independence.

When determining the independent status of a director the Board should consider whether the director:

- 1) is a substantial shareholder of the Company or an officer of, or otherwise;
- 2) associated directly with, a substantial shareholder of the Company;
- 3) is employed, or has previously been employed in an executive capacity by the Company or another group member, and there has not been a period of at least 3 years between ceasing such employment and serving on the Board;
- 4) has within the last 3 years been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- 5) is a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- 6) has a material contractual relationship with the Company or another group member other than as a director.

Family ties and cross-directorships may be relevant in considering interests and relationships which may affect independence, and should be disclosed to the Board.

Continuous Disclosure

1. Purpose

As the Company is listed on the Australian Securities Exchange (**ASX**), it must disclose certain information under a continuous disclosure regime to keep the market informed of events and developments as they occur. The Company promotes timely and equal access to material information concerning the Company including its financial position, performance, ownership and governance.

The purpose of this policy is to:

- (a) raise awareness of the Company's obligations under the continuous disclosure regime;
- (b) establish a process to ensure that information about the Company which may be market sensitive and which may require disclosure is brought to the attention of the Responsible Officer in a timely manner and is kept confidential; and
- (c) set out obligations of a director, officer, employee or contractor of the Company to ensure that the Company complies with its continuous disclosure obligations.

The Company has appointed the Company Secretary as the responsible officer (**Responsible Officer**) who is primarily responsible for ensuring that the Company complies with its continuous disclosure obligations.

2. Who does this policy apply to?

This policy applies to each director, officer, employee and contractor of the Company.

Each person to whom this policy applies will be given a copy of this policy, and informed and trained about the content of this policy from time to time (as considered necessary).

3. What is the key disclosure requirement?

The key disclosure requirement set out in ASX Listing Rule 3.1 is that:

"Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information."

A reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would be likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities. Information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities is referred to in this policy as market sensitive information.

4. Your role

It is important that you immediately bring to the attention of the Responsible Officer any information of which you have become aware that may be market sensitive information. It is very important that you do not make a judgment yourself as to whether the information is market sensitive information – if you think it may be, tell the Responsible Officer.

The Responsible Officer (or in some cases the full Board, or the Chair and Managing Director jointly) is then responsible for determining whether or not that information needs to be disclosed to the market.

5. Examples of information that may be market sensitive

Examples of the types of information that could be market sensitive information and that you would need to bring to the attention of the Responsible Officer include (but is not limited to) the following:

- (a) a transaction that will lead to a significant change in the nature or scale of the Company's activities;
- (b) a material mineral or hydrocarbon discovery;
- (c) a material acquisition or disposal;
- (d) the granting or withdrawal of a material licence;
- (e) becoming a plaintiff or defendant in a material law suit;
- (f) the fact that the Company's earnings will be materially different from market expectations;
- (g) the appointment of a liquidator, administrator or receiver;
- (h) the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- (i) under subscriptions or over subscriptions to an issue of securities;
- (j) giving or receiving a notice of intention to make a takeover;
- (k) any rating applied by a rating agency to the Company or its securities and any change to such a rating;
- (l) any actual or proposed change to the Company's capital structure for example, a share issue;
- (m) exploration results; and
- (n) drilling results;

This list is not exhaustive and there are many other examples of information that could potentially be market sensitive information. For these purposes, "information" extends beyond matters of fact and includes matters of opinion and intention. It is not limited to information that is generated by, or sourced from within, the Company. Nor is it limited to information that is financial in character or that is measurable in financial terms.

6. Media contract and other external communications

The Company has appointed the Company Secretary as its Media Officer(s) and any other person authorised by the Board or the Media Officer(s) from time to time. Only the Media Officer(s) is authorised to speak to the media, analysts, brokers, shareholders and other external parties on behalf of the Company.

If you are requested to make a comment or answer a question from the media, an analyst, broker, shareholder or other external party, you must advise the person that you are not authorised to speak on behalf of the Company and refer the inquiry to the Media Officer(s).

7. Confidentiality obligations

Whilst the Company has a responsibility to disclose market sensitive information as described above, the Company is entitled to keep information confidential in some circumstances until it is appropriate to release it to ASX. For example, if the information concerns a transaction that is incomplete or a trade secret.

You owe obligations of confidentiality to the Company – this includes keeping confidential all information about the Company and its related companies to which you have access, and which is not already public. This includes, for example, any material transactions or negotiations the Company is involved in. You should immediately report to the Responsible Officer any instances where confidentiality of information has been or may be lost for any reason whatsoever.

You are reminded not to read confidential documents about the Company or its related companies in public places (e.g. airports, planes, public transport) or have confidential discussions about the Company or its related companies in places that you could be overheard by others (e.g. lifts, taxis, airports, planes, public transport).

You are also reminded that if confidential information is market sensitive information, it is "inside information" and you are prohibited from trading in the Company's securities when you are in possession of such information. Reference should also be made to the Company's Securities Trading Policy.

8. Compliance and consequences of breach

If there is a breach of this policy, the person who becomes aware of the breach must immediately notify the Responsible Officer. The Responsible Officer must then take such steps as are required to remedy the breach as soon as possible. Where the breach relates to a leak or suspected leak of confidential information, the Responsible Officer will investigate the leak or suspected leak. The steps taken and the results of the investigation will be documented.

A person involved in a company's contravention of the continuous disclosure provisions can be held personally liable for the contravention. In addition, other penalties as prescribed under the Corporations Act may be incurred by the Company. For these reasons, it is important that you take your responsibilities in relation to continuous disclosure seriously. If you have any questions about this policy or your obligations under it, you should talk to the Company Secretary or the Responsible Officer.

9. Review of Policy

The Board will review this policy at least annually and update it as required.

Trading in Company Securities Policy

Directors, officers and employees who wish to trade in Company securities must first have regard to the statutory provisions of the Corporations Act dealing with insider trading.

Insider trading is the practice of dealing in a company's securities (which includes shares and options) by a person in possession of information not generally available, but if it were generally available would, or would be likely to influence a person's decision to transact in the company's securities. It may also include the passing on of this information to another or procuring another person to deal in the securities. Legally, insider trading is an offence which carries severe penalties, including imprisonment.

Insider Trading Prohibition

In summary, directors, officers and employees of the Company must not, whether in their own capacity or as an agent for another, subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any securities in the Company, or procure another person to do so:

- 1) if that director, officer or employee possesses information that a reasonable person would expect to have a material effect on the price or value of the securities or influence a person's decision to buy or sell the securities in the Company if the information was generally available;
- 2) if the director, officer or employee knows or ought reasonably to know, that:
 - a. the information is not generally available; and
 - b. if it were generally available, it might have a material effect on the price or value of the securities or influence a person's decision to buy or sell the securities in the Company.

Further, directors, officers and employees must not either directly or indirectly pass on this kind of information to another person if they know, or ought reasonably to know, that this other person is likely to deal in the securities of the Company or procure another person to do so.

By way of guidance, examples of information which, if made available to the market, may depending on the circumstances be likely to have a material impact on the price of the Company's securities include:

- the Company considering an acquisition, expansion or disposal of an interest in a major project;
- the threat of major litigation by or against the Company;
- changes to the board, management or auditors;
- the Company's financial results materially exceeding (or falling short of) market expectation; and
- a share issue proposal.

Blackout Periods

In addition to the prohibitions on insider trading set out in the Corporations Act, the Company requires that directors, officers and employees must not trade in the Company's securities in:

- a) between 16 June and the day of the release by the Company of its annual report for the period 1 July to 30 June; and
- b) between 16 December and release by the Company of its half yearly report for the period 1 July to 31 December.

(collectively, "**Blackout Periods**"), unless the circumstances are exceptional and the procedure for prior written clearance described below has been met.

In addition to the prohibitions on insider trading set out in the Corporations Act, the Company requires that directors, officers and employees must not trade in the Company's securities within any period imposed by the Company from time to time, because the Company is considering matters that would require disclosure to the market but for Listing Rule 3.1A ("**Additional Period**"), unless the circumstances are exceptional and the procedure for prior written clearance described below has been met. This prohibition is in addition to the Blackout Periods. The Blackout Periods, and the Additional Period are together referred to as a "**Prohibited Period**" in this policy.

Please note that even if it is outside of a Prohibited Period, directors, officers and employees must not trade in the Company's securities if they are in possession of inside information.

Exceptional circumstances when trading may be permitted subject to prior written clearance

A person may trade in the Company's securities inside a Prohibited Period, subject to obtaining prior written clearance in accordance with the procedure described below, in the following exceptional circumstances:

1. if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the Company and the person seeking clearance is in severe financial hardship;
2. if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the Company and there are other circumstances deemed to be exceptional by the person granting the prior written clearance; or
3. where trading is required for compliance with a court order or court enforceable undertakings or for some other legal or regulatory requirement.

Procedure for obtaining clearance prior to trading

Directors, officers and employees must not trade in the Company's securities at any time, including in the exceptional circumstances referred to above, unless the director, officer or employee obtains prior written clearance from:

1. in the case of employees, the Managing Director;
2. in the case of a director or officer, the Chair or in his absence, the Managing Director;
3. in case of the Managing Director, the Chair or, in his absence, the full Board; or
4. in the case of the Chair, the full Board, (each, an "Approving Officer").

Any written clearance granted under this policy will be valid for the period of 5 business days from the time which it is given or such other period as may be determined by the Approving Officer. The expiry time of the clearance will be stated in the clearance granted.

Written clearance under this policy may be given in person, by mail, by email or by facsimile.

Any clearance to trade can be given or refused by the Company in its discretion, without giving any reasons. A clearance to trade can also be withdrawn if new information comes to light or there is a change in circumstances. The Company's decision to refuse clearance is final and binding on the person seeking clearance. If clearance to trade is refused, the person seeking the clearance must keep that information confidential and not disclose it to anyone. Trading which is not subject to this policy.

The following trading by directors, officers and employees is excluded from this policy:

1. transfers of securities already held into a superannuation fund or other saving scheme in which the director, officer or employee is a beneficiary;

2. an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
3. where the director, officer or employee is a trustee, trading in the Company's securities by that trust provided the director, officer or employee is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the director, officer or employee;
4. undertakings to accept, or the acceptance of, a takeover offer;
5. trading under an offer or invitation made to all or most of the security holders such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
6. a disposal of securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
7. the exercise (but not the sale of securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the Company has been in an exceptionally long Prohibited Period or the Company has had a number of consecutive Prohibited Periods and the director, officer or employee could not reasonably have been expected to exercise it at a time when free to do so; or
8. trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
 - a. the director, officer or employee did not enter into the plan or amend the plan during a Prohibited Period; and
 - b. the trading plan does not permit the director, officer or employee to exercise any influence or discretion over how, when, or whether to trade.

Please note that even if the trading is excluded from this Policy, directors, officers and employees must not trade in the Company's securities if they are in possession of inside information.

Trading in derivative products

The prohibitions on trading in the Company's securities imposed by the Company and set out in this policy extend to trading in financial products issued or created over or in respect of the Company's securities.

Long Term Trading

The Company wishes to encourage directors, officers and employees to adopt a long-term attitude to investment in the Company's securities. Therefore, directors, officers and employees must not engage in short term or speculative trading of the Company's securities.

Prohibited Transactions

Directors, officers and employees must not enter into transactions or arrangements, which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining prior written clearance from the appropriate Approving Officer.

Directors, officers and employees must not enter into agreements that provide lenders with rights over their interests in securities in the Company without first seeking and obtaining prior written clearance from the appropriate Approving Officer.

Directors, officers and employees must not put in place a non-discretionary trading plan in respect of their securities in the Company without first seeking and obtaining prior written clearance from the appropriate Approving Officer. Directors, officers or employees must not cancel any such trading plan during a Prohibited Period, unless the circumstances are exceptional and the procedure for prior written clearance has been met.

Directors, officers and employees are prohibited from entering into transactions or arrangements which limit the economic risk of participating in invested entitlements under any equity-based remuneration schemes.

Notification

Directors must disclose details of changes in securities of the Company they hold (directly or indirectly) to the Company Secretary as soon as reasonably possible after the date of the contract to buy and sell the securities ("**Contract Date**") but in any event:

1. no later than 3 business days after the Contract Date; or
2. if they begin to have or cease to have a substantial shareholding or there is a change in their substantial holding, the business day after the Contract Date.

Directors are referred to the Company's Director's Disclosure Obligations document and Director's Declaration of Interest Form. The Company Secretary is to maintain a register of notifications and clearances given in relation to trading in the Company's securities. The Company Secretary must report all notifications of dealings in the Company's securities to the next Board meeting of the Company.

Directors are reminded that it is their obligation under section 205G of the Corporations Act to notify the market operator within 14 days after any change in a director's interest.

Breaches

Breach of the insider trading prohibition could expose directors, officers and employees to criminal and civil liability. Breach of insider trading law or this policy will be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

This policy does not contain an exhaustive analysis of the restrictions imposed on, and the very serious legal ramifications of, insider trading. Directors, officers and employees who wish to obtain further advice in this matter, are encouraged to contact the Company Secretary.

This policy also applies to the Company's related entities.

ASX Listing Rule Requirements

It is a requirement for admission to the official list of ASX, and an on-going requirement for listing, that the Company has a policy for trading in company securities.

The Company will give a copy of this policy to ASX for release to the market. The Company will also give any amended version of this policy to ASX when it makes a change to:

- the periods within which directors, officers and employees are prohibited from trading in the Company's securities;
- the trading that is excluded from the operation of the policy; or

- the exceptional circumstances in which directors, officers and employees may be permitted to trade during a Prohibited Period, within five business days of the amendments taking effect.

The Company will also give this policy to ASX immediately on request by ASX.

Computer Usage and Conduct Policy

Internet, email and computer facilities are primarily for gathering, communicating and processing information related to Gateway Mining's official business.

Reasonable private use, from time to time, of these facilities by Gateway employees is permitted, provided it does not interfere with official duties or adversely impact on the availability of facilities.

Gateway reserves the right to restrict the private use of the facilities at its discretion.

All employees shall take reasonable care to minimise the risk of loss, damage, alteration and modification to Company equipment, software, security systems, network connections and data used by them or under their control.

All employees are responsible for maintaining the integrity of their individual access passwords to the facilities.

Records which are created through the use of Gateway's computer facilities are Company records and as such, remain the property of the Company.

Gateway cannot guarantee the security or privacy of communication using its computer facilities.

Gateway accepts no responsibility for any loss incurred by an employee through the private use of Gateway's computer facilities.

Gateway will co-operate fully with any State, Federal or International legal agency in the event that its computer facilities have been used for illegal activities.

Independent Professional Advice

The Board acknowledges the need for independent judgment on all Board decisions, irrespective of each individual director's independence.

To assist directors with independent judgment, 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 for incurring such expense from the Chair, the Company will pay the reasonable expenses associated with obtaining such advice.

Risk Management

Overview

In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects. This Policy sets out the Company's approach to risk.

1) Role of the Board and Delegated Responsibility

The Board has the responsibility for the maintenance of the strategy of the Company, which includes the identification of significant business risks. This responsibility is fulfilled by the Audit and Risk Committee which reviews the major risks affecting each business segment and develops strategies to mitigate these risks. It reports to the Board following each meeting.

The Audit and Risk Committee is responsible for approving the Company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

Implementation of the risk management system and day-to-day management of risk is the responsibility of the Executive Directors, with the assistance of senior management, as required.

2) Role of Audit and Risk Committee

The Audit and Risk Committee has responsibility for identifying, assessing, monitoring and managing risks. The Audit and Risk Committee is also responsible for identifying any material changes to the Company's risk profile and ensuring, with approval of the Board, the risk profile of the Company listed in this Policy are updated to reflect any material change.

The Audit and Risk Committee is required to report on the progress of, and on all matters associated with, risk management on a regular basis. The Audit Risk Committee is to report to the Board as to the effectiveness of the Company's management of its material business risks, at least once a quarter.

3) Authority of the Audit and Risk Committee

In fulfilling the duties of risk management, the Audit and Risk Committee may have unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate, with the prior approval of the Board.

4) Risk Profile

The Company considers that any risk that could have a material impact on its business should be included in its risk profile. The risk profile of the Company can be categorised as follows:

- Market-related
- Financial reporting
- Operational
- Environmental
- Economic cycle/marketing
- Legal and compliance

5) Additional Policies and Practices

The Company maintains several policies and practices designed to manage specific business risks. These include:

- Audit and Risk Committee Charter: the Audit and Risk Committee Charter sets out the role of the Audit and Risk Committee (or its equivalent) which includes, among other things, monitoring and reviewing the integrity of the financial reporting of the Company and any significant financial reporting judgements; and reviewing the Company's internal financial control system and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems.
- Insurance Program.
- Regular budgeting and financial reporting: the Company has regular budgeting in place. It is the role of the Audit and Risk Committee (or its equivalent) to review the integrity of the financial reporting of the Company.
- Clear limits and authorities for expenditure levels: the Company's Board Charter sets out Materiality Thresholds. These include quantitative and qualitative thresholds as well as triggers for the materiality of contracts.
- Procedures to assist with establishing and administering corporate governance systems and disclosure requirements: the Company has adopted a Corporate Governance statement which contains policies and procedures to assist the Company establish and maintain its governance practices.

6) Responsibility to Stakeholders

The Company considers the reasonable expectations of stakeholders particularly with a view to preserving the Company's reputation and success of its business. Factors which affect the Company's continued good standing are included in the Company's Risk Profile.

7) Continuous Improvement

The Company's risk management system is evolving. It is an on-going process and it is recognised that the level and extent of the risk management system will evolve commensurate with the development and growth of the Company's activities.

OPERATIONS

Policy on Health and Safety

All Gateway Mining Ltd activities will be carried out in a manner that protects the safety and health of employees, contractors, visitors and the community. Gateway will always seek to provide a safe working environment and value safety above profits.

To achieve this, Gateway will:

- Implement and maintain a *Health and Safety Management System*, which incorporates *Safe Operating Procedures* to ensure that hazards are identified, assessed and controlled.
- Provide and maintain a safe and healthy workplace and equipment, by complying with or exceeding all obligations outlined in applicable acts, regulations and codes of practice.
- Provide leadership and resources so that personnel have the ability and desire to achieve a safe, healthy and productive workplace.
- Employ only those contractors who demonstrate a high level of commitment and performance with respect to safety and health.
- Measure, review and communicate safety, health and other business targets to ensure performance is continually improved.
- Expect all employees to use their skills and knowledge to improve safety and health.
- Implement suitable *Fitness for Work* procedures for the appropriate monitoring of fatigue, drugs and alcohol in the workplace.
- Expect all employees to co-operate with Gateway to maintain a workplace where other employees are not unnecessarily exposed to hazards or risks.

All employees and contractors must take reasonable care for their own safety and health at work and avoid harming the safety and health of other people through any act or omission at work.

Policy on Fitness for Work

All Gateway Mining Ltd activities will be carried out in a manner that protects the safety and health of employees, contractors, visitors and the community. Gateway seeks to provide a safe workplace for all employees and will ensure all employees are fit for work.

To achieve this Gateway undertakes to:

- Implement a program to provide for fatigue management where relevant.
- Not tolerate any individual at work who is adversely affected by alcohol or drugs. Gateway will introduce appropriate screening programs to enforce this.
- Facilitate alcohol and drug abuse counselling and/or rehabilitation as appropriate.
- Provide employees with internal mechanisms to aid them in situations where external factors including mental health, may be affecting their ability to work safely.
- Take appropriate actions with any person who is found to be unfit for work. The Company's primary aim is that all individuals present fit for work and comply with the requirements of the relevant mining and safety legislation in the jurisdictions in which we operate.

Policy on Environment

Gateway Mining Ltd views environmental management as essential to its own future and to the future of the mining industry in general. Gateway considers that sound environmental management benefits all stakeholders, including shareholders, employees, contractors, the communities within which we work and the broader community as a whole.

All employees will be active towards sound environmental management and as a minimum, ensure compliance with all statutory requirements associated with the Company's activities, from mineral exploration, mining and processing through to the sale of mineral products.

To achieve and maintain high environmental standards, Gateway and its employees undertake to:

- Implement an *Environmental Management System* that incorporates elements to identify, control, monitor and as appropriate rehabilitate environmental impacts from all stages of Gateway's activities.
- Implement strategies for continual improvement.
- Comply with all environmental legislation, licenses and regulations.
- Communicate regularly with employees, customers, suppliers and contractors about the aims of the Company's environmental policy and the responsibilities implied.
- Advise the community, shareholders, government authorities and other stakeholders of the company's environmental performance.

Policy on Community Relations and Indigenous Peoples

Gateway Mining Ltd is committed to developing mutually beneficial relationships with the communities in which we work or propose to work.

Gateway and its employees shall:

- Establish and maintain effective, positive and respectful communication with members of local communities.
- Ensure that local people are properly consulted regarding any development proposed by the Company that may have a social, cultural, economic or historical impact on their community and/or livelihoods.
- Aim to maximise the potential for economic development of local communities through the employment of local people and support of local businesses.
- Aim to introduce or contribute toward the financial support of education, training and employment programs for local communities.
- Ensure that activities are conducted in a manner that are sensitive to the local indigenous people's rights and interests and in particular, that it has regard for, and acknowledges, local heritage and cultural issues.

Ensure that activities are conducted in compliance with Local, State and Federal Government legislation and where appropriate, the customs and interests of the local indigenous people.

CODE OF CONDUCT

This **Code of Conduct** sets out the principles and standards which the Board, management and employees of the Company are encouraged to strive towards when dealing with each other, shareholders, other stakeholders and the broader community.

The purpose of the **Code of Conduct** is to promote a safe, healthy and productive workplace wherever the Company operates. Underpinning the Code is the expectations that all persons performing work for and on behalf of the Company will conduct themselves honestly and professionally.

The Code of Conduct does not, and cannot, cover every possible action or scenario a member of the Company may encounter during their employment or engagement with the Company.

Integrity

The Board and senior executives are committed to conducting themselves with integrity and honesty in accordance with this **Code of Conduct**.

Directors, management and employees shall deal with the Company's customers, suppliers, competitors and each other with honesty, fairness and integrity and observe the rule and spirit of the legal and regulatory environment in which the Company operates.

Responsibility to Shareholders

The Company aims:

- a) to increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders and the financial community; and
- b) comply with systems of control and accountability which the Company has in place as part of its corporate governance with openness and integrity.

Respect for the Law

The Company is to comply with all legislative and common law requirements which affect its business wherever it operates. Where the Company has operations overseas, it shall comply with the relevant local laws as well as any applicable Australian laws. Any transgression from the applicable legal rules is to be reported to the Managing Director as soon as a person becomes aware of such a transgression.

Conflicts of Interest

Directors, management and employees must not involve themselves in situations where there is a real or apparent conflict of interest between them as individuals and the interest of the Company. Where a real or apparent conflict of interest arises, the matter should be brought to the attention of:

- a) the Chair in the case of a Board member or the Managing Director;
- b) the Managing Director in the case of the Chairman;
- c) the Managing Director in the case of a member of management; and
- d) a supervisor in the case of an employee,

so that it may be considered and dealt with in an appropriate manner for all concerned.

Protection of Assets

Directors, management and employees must protect the assets of the Company to ensure availability for legitimate business purposes and ensure all corporate opportunities are enjoyed by the Company and that no property, information or position belonging to the Company or opportunity arising from these are used for personal gain or to compete with the Company.

Confidential Information and Privacy

Directors, management and employees must respect confidentiality of all information of a confidential nature which is acquired in the course of the Company's business and not disclose or make improper use of such confidential information to any person unless specific authorisation is given for disclosure or disclosure is legally mandated.

The Company's information also includes intellectual property assets, such as patents, trademarks, copyright, design and other intellectual property assets. These assets are valuable assets which need to be protected, in the same way as physical assets. Members of the Company are expected to be aware of the need to protect the Company's intellectual property, and be aware of potential infringement of the Company's intellectual property rights through unauthorised use by personnel, customers, suppliers and competitors. It follows that members of the Company must also respect intellectual property rights of others as unauthorised use of others intellectual property can expose the Company and personnel to legal action, damages and fines.

Members of the Company must not take improper advantage of any information, including confidential and commercially sensitive information and intellectual property, gained in the course of their employment or engagement. This could lead to serious consequences including disciplinary action or termination of your employment or engagement.

If a member of the Company leaves the Company they must not use confidential information and intellectual property obtained during your employment or engagement to advantage your prospective employer or business or disadvantage the Company generally in its dealings with others.

Employment Practices

The Company will employ the best available persons with skills required to carry out vacant positions.

The Company will use its best endeavours to ensure a safe work place and maintain proper occupational health and safety practices commensurate with the nature of the Company's business and activities

Responsibility to the Community

The Company will recognise, consider and respect health and safety, environmental issues and other community concerns which arise in relation to the Company's activities and comply with all applicable legal requirements.

Responsibility to the Individual

The Company recognises and respects the rights of individuals and will comply with the applicable legal rules regarding privacy, and the use of privileged or confidential information.

Unacceptable Behaviour

The Company will not tolerate unacceptable or inappropriate behavior that impacts, or has the potential to impact, adversely on other personnel or the Company.

Unacceptable and Inappropriate behavior includes, but is not limited to, the following:

- (i) abuse, harassment, bullying or victimisation, physical abuse or assault and threatening or intimidating behaviour towards others;
- (ii) not adhering to safety and security procedures or standards;
- (iii) breach of relevant laws or regulations
- (iv) careless behaviour that could endanger the safety of yourself or others;
- (v) inappropriate use of the Company's assets;
- (vi) using image recording devices, such as cameras, mobile phones, scanners or photocopiers to capture and distribute images of any of the following without authorisation from the Company:
 - private, confidential or copyrighted documents or other material;
 - Company property or facilities that are not accessible to the general public;
 - any person without their express permission;
 - any person, object, act or incident where the image would be considered inappropriate or offensive; and
 - accessing, storing, processing or transmitting any information of a threatening, obscene, pornographic, discriminatory or harassing nature.
- (vii) theft or attempted theft;
- (viii) fraud or attempted fraud;
- (ix) failure to disclose a conflict of interest, or potential conflict of interest;
- (x) activities adversely affecting the Company or its reputation (for example, making unauthorised public statements about the Company or its position in respect of any matter); directly or indirectly engaging in any activity which could by association cause;
- (xi) unauthorised use or passing of sensitive or confidential information (electronic or hard copies) relating to the Company or its operations to a third party or posting such information in a public domain;
- (xii) unauthorised use of the Company's name or logo; and
- (xiii) failure to comply with any other Company policy or procedure.

Safe Working Environment

The Company aims to operate a safe workplace that is free of injuries and achieves zero safety, property or equipment damage or environmental harm.

Also refer to individual policies relating to:

- a) Health and Safety
- b) Fitness for Work
- c) Environment

All personnel are responsible for their own safety and the safety and wellbeing of others around them in the workplace and in the community that may be affected by their activities.

This requires employees to obey all reasonable instructions, work safely, wear protective equipment if required, follow correct procedures when working and report incidents. Work should not be undertaken without a clear understanding of a safe method of work that minimises the risk of injury or illness, plant or equipment damage and environmental harm.

Obligations Relative to Fair Trading and Dealing

The Company will deal with others in a way that is fair and will not engage in deceptive practices.

Financial and other inducements

It is an offence to bribe a foreign public official under the Criminal Code Act 1995 ("**Code**"). There are potentially serious consequences for breaching the Code including imprisonment. The Code describes a bribe as providing, causing or promising a benefit to another person where that benefit is not legitimately due. The Code makes this provision irrespective of whether the benefit is customary or perceived to be customary or tolerated.

Internationally, various similar legislation enables some other countries to prosecute their own citizens and corporations, as well as other persons within their jurisdiction, for bribery of public officials abroad.

The Company does not countenance the making of payments (including payments in kind such as gifts, favours, etc.) to influence individuals to award business opportunities to the Company or to make business decisions in the Company's favour.

In some countries employees may be asked to make small payments to low-level public officials or government employees which are sometimes called facilitation payments. These payments are sought to expedite or bring about routine services or actions by those individuals. The Company does not support making these payments as a matter of policy, and expects employees and officers to make every effort to avoid them.

Where a payment of this kind cannot be resisted the payment must, at a minimum, be approved by the employee's supervisor and be accounted for clearly and accurately. A record must be kept detailing the value of the benefit, the date on which the conduct occurred, the identity of the foreign public official and particulars of the routine government action that was sought to be expedited or secured.

In addition, the Company must maintain an accurate and auditable record of all financial transactions in accordance with generally accepted accounting principles. This includes maintaining appropriate records of all gifts, entertainment and payments to government officials, employees and others. Entries should not distort or disguise the true nature of any transaction.

This Code of Conduct does not prohibit any payments, including facilitation payments, where these payments are made in accordance with the Code and this Code of Conduct.

This Code of Conduct also applies to agents and third parties who are employed by the Company to represent its interests.

Compliance with the Code of Conduct

Any breach of compliance with this Code of Conduct is to be reported directly to the Managing Director, Chair or Report and Investigation Officer (if one is appointed), as appropriate. Anyone breaching this Code of Conduct may be subject to disciplinary action, including termination.

Periodic Review of Code



The Company will monitor compliance with this Code of Conduct periodically by liaising with the Board, management and employees especially in relation to any areas of difficulty which arise from this Code of Conduct and any other ideas or suggestions for improvement of it. Suggestions for improvements or amendments to this Code of Conduct can be made at any time by providing a written note to the Managing Director.