

Corporate Governance Statement

The Company's corporate governance statement & plan for the year ended 30 June 2020 is available on the Company's website at <https://blackrockmining.com.au/about-us/#corporate-governance>

This statement has been approved by the Company's Board of Directors and is current as at 29 September 2020. To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by the ASX Corporate Governance Council (Recommendations).

Principles of Best Practice Recommendations

In accordance with ASX Listing Rule 4.10, Black Rock Mining is required to disclose the extent to which it has followed the Principles of Best Practice Recommendations during the financial year.

Where Black Rock Mining has not followed a recommendation, this has been identified and an explanation for the departure has been given.

Principles and recommendations	Comment
1. Lay solid foundations for management and oversight	
1.1 A listed entity should disclose: (a) the respective roles and responsibilities of its Board and management; and (b) those matters expressly reserved to the Board and those delegated to management.	<p>The Board is ultimately accountable for the performance of the Company and provides leadership and sets the strategic objectives of the company. It is responsible for overseeing all corporate reporting systems, remuneration frameworks, governance issues, and stakeholder communications. Decisions reserved for the Board relate to those that have a fundamental impact on the Company, such as material acquisitions and takeovers, dividends and buy backs, material profits upgrades and downgrades, and significant closures.</p> <p>Management is responsible for implementing Board strategy, day-to-day operational aspects, and ensuring that all risks and performance issues are brought to the Board's attention. They must operate within the risk and authorisation parameters set by the Board.</p>
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.	<p>The Company undertakes comprehensive reference checks prior to appointing a director, or putting that person forward as a candidate to ensure that person is competent, experienced, and would not be impaired in any way from undertaking the duties of a director. The Company provides relevant information to shareholders for their consideration about the attributes of candidates together with whether the Board supports the appointment or re-election.</p>
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<p>The terms of the appointment of a non-executive director, or executive directors and senior executives are agreed upon and set out in writing at the time of appointment.</p>
1.4 The Company Secretary of a listed entity should be accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.	<p>The Company Secretary reports directly to the Board through the Chairman and is accessible to all directors.</p>

	Principles and recommendations	Comment
1.5	<p>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</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the Board or a relevant committee of the Board in accordance with the entity's diversity policy and its progress towards achieving them, and either: (1) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>The Company's Corporate Governance Plan includes a 'Diversity Policy', which provides a framework for establishing measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them.</p> <p>Board considers that is not appropriate to set formal diversity objectives as the present stage of the Company's development.</p> <p>Further detail on the Diversity Policy is included in the Strategic Report of the Directors.</p>
1.6	<p>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.</p>	<p>The Company's Corporate Governance Plan includes a section on performance evaluation practices adopted by the Company.</p> <p>The Chairman reviews the performance of the Board, its committees and individual directors to ensure that the Company continues to have a mix of skills and experience necessary for the conduct of its activities.</p> <p>The most recent informal performance evaluation of the Board was performed during August 2020.</p>
1.7	<p>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.</p>	<p>The Company's Corporate Governance Plan includes a section on performance evaluation practices adopted by the Company.</p> <p>The Chairman will monitor the Board and the Board will monitor the performance of any senior executives who are not Directors, including measuring actual performance against planned performance.</p> <p>The most recent performance evaluation of the Managing Director and CEO was performed during August 2020.</p>
2.	Structure of the Board to add value	
2.1	<p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>The Company has a Nomination Committee. Due to the company's small size, the Remuneration Committee acts and assumes responsibility for the Nomination process. The Nomination Committee meets as required for any board changes and/or changes to senior management.</p> <p>The Company's Corporate Governance Plan includes a Nomination Committee Charter, which discloses the specific responsibilities of the committee.</p> <p>As noted above, the Remuneration Committee assumes the responsibilities of the Nomination Committee, with the members being the same as those sitting on the Remuneration Committee. Refer to the Company's Annual Report.</p>

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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.	<p>The Board's skills matrix indicates the mix of skills, experience and expertise that are considered necessary at Board level for optimal performance of the Board.</p> <p>The matrix reflects the Board's objective to have an appropriate mix of industry and professional experience including skills such as leadership, governance, strategy, finance, risk, IT, HR, policy development, international business and customer relationship.</p> <p>External consultants may be brought in with specialist knowledge to address areas where this is an attribute deficiency in the Board.</p>
2.3	A listed entity should disclose: (a) the names of the directors considered by the Board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and (c) the length of service of each director.	<p>Those directors who are considered to be independent are specified in the Directors Report.</p> <p>The length of service of each of the Company's directors is included in the Directors Report.</p>
2.4	A majority of the Board of a listed entity should be independent directors.	The majority of the Company's directors are independent.
2.5	The Chair of the Board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	The Chairman is considered to be an independent director.
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 Chairman and Company Secretary brief and inform New Directors on all relevant aspects of the Company's operations and background. A director development program is also available to ensure that directors can enhance their skills and remain abreast of important developments.
3.	Act ethically and responsibly	
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	The Company's Corporate Governance Plan includes a 'Corporate Code of Conduct', which provides a framework for decisions and actions in relation to ethical conduct in employment.

Principles and recommendations		Comment
4. Safeguard Integrity in financial reporting		
4.1	The Board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the Board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	The Company has established an Audit and Risk Committee. Refer to the Company's Annual Report for further details regarding the Audit and Risk Committee.
4.2	The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	A declaration in accordance with these requirements has been provided by the CEO and CFO.
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 Company seeks to ensure that where possible a representative of the auditor attends the forthcoming AGM and is available to answer shareholder questions from shareholders relevant to the audit.
5. Make timely and balanced disclosure		
5.1	A listed entity should (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	The Company has a continuous disclosure program in place designed to ensure the compliance with ASX Listing Rule disclosure and to ensure accountability at a senior executive level for compliance and factual presentation of the Company's financial position.
6. Respect the rights of shareholders		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Company maintains information in relation to governance documents, directors and senior executives. Board and committee charters, annual reports, ASX announcements and contact details on the Company's website.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Company encourages shareholders to attend its AGM and to send in questions prior to the AGM so that they may be responded to during the meeting. It also encourages ad hoc enquiry via email which are responded to and actively uses social media to engage with shareholders.



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6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Refer to commentary at Recommendation 6.2
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 Company engages its share registry to manage the majority of communications with shareholders. Shareholders are encouraged to receive correspondence from the company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders. Shareholders not already receiving information electronically can elect to do so through the share registry, Computershare Australia at www.computershare.com/au .
7.	Recognise and manage risk	
7.1	The Board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	<p>The Company has established an Audit and Risk Committee.</p> <p>The Company's Corporate Governance Plan includes an Audit and Risk Committee Charter, which discloses the specific responsibilities of the committee.</p> <p>Refer to the Company's Annual Report for further details regarding the Audit and Risk Committee.</p>
7.2	The Board or a committee of the Board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place	<p>The Company's Corporate Governance Plan includes a risk management policy.</p> <p>The Company maintains a risk register as part of its risk management strategy which is periodically updated and subject to scrutiny by the Audit and Risk Committee.</p> <p>Where appropriate, the Audit and Risk Committee makes recommendations to the Board in respect of key operational risks and their management. Risks and the management thereof is a recurring item for deliberation at Board Meetings.</p>
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.	<p>The Company is currently not in compliance with this recommendation as it does not maintain a separate internal audit function as the Board considers the Company is not currently of the relevant size or complexity to warrant the formation of a formal internal audit function.</p> <p>The Board, as a whole, evaluates and continually strives for improvement in the effectiveness of risk management and internal control processes.</p> <p>The Audit and Risk Committee receives the report from the Company's external auditors which includes an assessment of internal controls. In the event that weaknesses in internal control processes are identified these matters are brought to the attention of and dealt with by the Board.</p>

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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.	Refer to the Company's Annual Report for disclosures relating to the Company's material business risks. The Company does not currently have material exposure to any economic, environmental or social sustainability risks. Refer to commentary at Recommendations 7.1 and 7.2 for information on the Company's risk management framework.
8.	Remunerate fairly and responsibly	
8.1	The Board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	The Company has established a Remuneration Committee. The Company's Corporate Governance Plan includes an Remuneration Committee Charter, which discloses the specific responsibilities of the Remuneration Committee. Refer to the Company's Annual Report for further details regarding the Remuneration Committee.
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.	Refer to the Remuneration Committee report in the Company's Annual Report.
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.	Refer to the Remuneration Committee report in the Company's Annual Report.