

**CORPORATE GOVERNANCE STATEMENT  
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2020**

This Corporate Governance Statement is current as at 30 June 2020 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company has, during the financial year ending 30 June 2020, followed the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations (Recommendations). The Recommendations are not mandatory, however the Recommendations that have not been followed for any part of the reporting period have been identified and reasons provided for not following them along with what (if any) alternative governance practices were adopted in lieu of the recommendation during that period.

The Company has adopted a Corporate Governance Plan which provides the written terms of reference for the Company's corporate governance duties. The Company's website at [www.okapiresources.com](http://www.okapiresources.com) contains a corporate governance section that includes copies of the Company's corporate governance policies.

ASX Principal and Recommendation	Compliance yes/no	Explanation
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<b>Recommendation 1.1</b> 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.	Yes	The Company has adopted a Board Charter ( <b>Charter</b> ) which discloses the roles and responsibilities of the Board and senior management.  Under the Charter, the Board is responsible for the overall operation and stewardship of the Company (and any future subsidiaries), including charting the direction, strategies and financial objectives for the Company (and any future subsidiaries), monitoring the implementation of those policies, strategies and financial objectives, and monitoring compliance with regulatory requirements and ethical standards. The Charter is available on the Company's website.
<b>Recommendation 1.2</b> 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 relevant to a decision on whether or not to elect or re-elect a director.	Yes	The Company will conduct background checks of candidates for new Director positions prior to their appointment or nomination for election by Shareholders, including checks as to good character, experience, education, qualifications, criminal history and bankruptcy. The Company does not propose to conduct specific checks prior to nominating an existing Director for re-election by Shareholders at a general meeting.  The Company will include in its notices of meeting a brief biography of each Director who stands for election or re-election.
<b>Recommendation 1.3</b> Companies should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	All directors have in place a formal letter of appointment including a director's interest agreement with respect to disclosure of security interests.

<p><b>Recommendation 1.4</b></p> <p>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.</p>	Yes	Under the Charter, the Company Secretary reports directly, and is accountable, to the Board through the Chairman in relation to all governance matters.
<p><b>Recommendation 1.5</b></p> <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for 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;</p> <p>(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</p>	No	The Company has not adopted a Diversity Policy. The Board considers that a diversity policy is not necessary given the current size and scope of the Company's operations.
<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	No	<p>The Company has adopted in its Board Charter a process for evaluation of the Board, its committees and individual Directors. Due to the size of the Board and the nature of its business, it has not been deemed necessary to institute a formal documented performance review program of individuals.</p> <p>Due to the recent change to the Board of Directors of the Company, no review was conducted during the financial year.</p> <p>The board considers that at this stage of the Company's development an informal process is appropriate.</p>
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>The Company has in place an informal process for evaluation of its key executives.</p> <p>Due to the size of the Company and the nature of its business, it has not been deemed necessary to institute a formal documented performance review program of senior executives. The board considers that at this stage of the Company's development such an informal process is appropriate.</p>
<b>Principal 2: Structure the Board to add value</b>		
<p>The board of a listed entity should:</p> <p>(a) have a nomination committee; or</p> <p>(b) if it does not have a nomination committee, disclose that fact</p>	No	The Company does not have a nomination committee at this stage. The Board considers that, given the current size and scope of the Company's operations, efficiencies or other benefits would not be gained by establishing a separate nomination committee.
<p><b>Recommendation 2.2</b></p> <p>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>	No	The Company does not currently have a skills or diversity matrix in relation to its Board members which reflects the current size and scope of the Company's operations. The Board will adopt detailed and comprehensive matrix if and when there is a significant change in the size and scale of its activities.
<p><b>Recommendation 2.3</b></p>	No	The Board considers that at the date of this

<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(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</p> <p>(c) the length of service of each director.</p>		<p>statement that it has no independent directors. Details of the current Directors' interests, positions, the length of service are provided in the annual report.</p>
<p><b>Recommendation 2.4</b></p> <p>A majority of the board of a listed entity should be independent directors.</p>	No	<p>The Board is not comprised of a majority of independent Directors. However, given the size and scope of the Company's operations, the Board considers that it has relevant experience in the mining and exploration sector (particularly in relation to gold mining and exploration) and is appropriately structured. The Board intends to appoint further independent Non-Executive Directors as the size and scale of the Company's operations warrant.</p>
<p><b>Recommendation 2.5</b></p> <p>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.</p>	No	<p>During the financial year, Mr Nigel Ferguson performs the role as Managing Director and acted as Interim Chairman of the Company. Following Mr Ferguson's resignation on 30 June 2020, Mr Rhoderick Grivas was appointed as independent Non-Executive Chairman. Subsequently, Mr Andrew Shearer was appointed as Executive Director.</p>
<p><b>Recommendation 2.6</b></p> <p>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.</p>	No	<p>The Company does not currently have a formal induction program for new Directors nor does it have a formal professional development program for existing Directors. The Board does not consider that a formal induction program is necessary given the current size and scope of the Company's operations.</p>
<p><b>Principal 3: Act ethically and responsibly</b></p>		
<p><b>Recommendation 3.1</b></p> <p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	Yes	<p>The Board believes that the success of the Company will be enhanced by a strong ethical culture within the organisation. Accordingly, the Company has established a Code of Conduct which sets out the standards with which the directors, officers, managers, employees and consultants of the Company (and any future subsidiaries) are expected to comply in relation to the affairs of the Company's business and when dealing with each other, Shareholders and the broader community. The Code also outlines the procedure for</p>

		<p>reporting any breaches of the Code and the possible disciplinary action the Company may take in respect of any breaches.</p> <p>In addition to their obligations under the Corporations Act in relation to inside information, all Directors, employees and consultants have a duty of confidentiality to the Company in relation to confidential information they possess.</p>
<b>Principal 4: Safeguard integrity in corporate reporting</b>		
<p><b>Recommendation 4.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are nonexecutive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board; or</p> <p>(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.</p>	No	<p>The Company has not established a separate audit committee. Under the Charter, the role of the audit committee is undertaken by the full Board. The Board considers that, given its current size and that only one Director holds an executive position in the Company, efficiencies or other benefits would not be gained by establishing a separate audit committee. As the Company's operations grow, the Board will reconsider forming a separate audit committee. The audit functions of the Board are set out in the Charter which is available on the Company's website.</p>
<p><b>Recommendation 4.2</b></p> <p>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.</p>	Yes	<p>The Company will obtain declarations from its Managing Director and Company Secretary before its financial statements are approved substantially in the form referred to in Recommendation 4.2.</p>
<p><b>Recommendation 4.3</b></p> <p>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.</p>	Yes	<p>The Company invites the external auditor to the AGM in accordance of the requirements of Section 250RA of the Corporations Act 2001 (Cth) and is available to answer questions relevant to the audit.</p>

<b>Principal 5: Make timely and balanced disclosure</b>		
<p><b>Recommendation 5.1</b> A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>The Company has adopted a Continuous Disclosure and a Communications Policy. The Company is a "disclosing entity" pursuant to section 111AR of the Corporations Act and, as such, is required to comply with the continuous disclosure requirements of section 674 of the Corporations Act and, following admission to ASX, Chapter 3 of the ASX Listing Rules. The Company is committed to observing its disclosure obligations under the Corporations Act and its obligations under the ASX Listing Rules. Following admission to ASX, all announcements provided to ASX will be posted on the Company's website. The Continuous Disclosure and Market Communications Policy is available on the Company's website.</p>
<b>Principle 6: Respect the rights of security holders</b>		
<p><b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.</p>	Yes	<p>Information about the Company, including its corporate governance and copies of its various corporate governance policies and charters, is available on the Company's website.</p>
<p><b>Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	Yes	<p>The Company has adopted a Communications Policy so as to facilitate the effective exercise of Shareholders' rights by communicating effectively with Shareholders, giving Shareholders ready access to Company information and making it easy for Shareholders to participate in general meetings of the Company. The Company will communicate with Shareholders:</p> <ul style="list-style-type: none"> <li>▪ through releases to the market via the ASX;</li> <li>▪ through the Company's website;</li> <li>▪ through information provided directly to Shareholders; and</li> <li>▪ at general meetings of the Company.</li> </ul>

<p><b>Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	Yes	<p>The Company supports Shareholder participation in general meetings and seeks to assist such participation, by ensuring that meetings are held at convenient times and places. The Company will provide all of the information that is relevant to Shareholders in making decisions on matters to be voted on at the meeting. The Company will use general meetings as a tool to communicate with Shareholders and give Shareholders a reasonable opportunity to ask questions of the Board and to otherwise participate in the meeting. Means to encourage and facilitate Shareholder participation will be reviewed regularly to encourage Shareholder participation.</p>
<p><b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	Yes	<p>The Company considers that communicating with Shareholders by electronic means is an efficient way to distribute information in a timely and convenient manner. The Company provides new Shareholders with the option to receive communications from the Company electronically.</p>
<p><b><i>Principle 7: Recognise and manage</i></b></p>		
<p><b>Recommendation 7.1</b> The board of a listed entity should: have a committee or committees to oversee risk; or if it does not have a risk committee or committees disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	No	<p>The Company does not have a separate risk management committee. The Board, as a whole, is responsible for supervising management's framework of control and accountability systems to enable risk to be assessed and managed in accordance with the Company's Risk Management Policy. The Board considers that, given the current size and scope of the Company's operations and that only one Director holds an executive position in the Company, efficiencies or other benefits would not be gained by establishing a separate risk management committee. At a later date the Board will consider forming a separate risk management committee. However, the Company has adopted a Risk Management Policy to provide a framework for identifying, assessing, monitoring and managing risk.</p>
<p><b>Recommendation 7.2</b> The Board should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and disclose whether such a review has taken place.</p>	Yes	<p>The Board as a whole undertakes a review of the entity's risk management on a regular basis and as to whether those risks are managed effectively.</p>

<p><b>Recommendation 7.3</b> A listed entity should disclose: if it has an internal audit function, how the function is structured and what role it performs; or 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>	No	<p>The Company does not currently have an internal audit function. This function is undertaken by relevant staff under the direction of the full Board.</p> <p>The Company has adopted internal control procedures pursuant to its Risk Management Policy. The Board considers that an internal audit function is not currently necessary given the current size and scope of the Company's operations. At a later date, the Board will consider adopting an internal audit function.</p>
<p><b>Recommendation 7.4</b> 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.</p>	Yes	<p>The Company's primary activity is mineral exploration and development with a focus on gold. These activities do not expose the Company to any particular economic, environmental or social sustainability risks not faced by all other participants in mineral exploration in Western Australia or the DRC. The Board has considered on an on-going basis whether the Company has any particular exposure to material economic, environmental and social sustainability risks in the DRC and, if identified, the Company will include details in its annual report for each financial year of such risks.</p>
<p><b>Principal 8: Remunerate fairly and responsibly</b></p>		
<p><b>Recommendation 8.1</b> The board of a listed entity should: have a remuneration committee; or 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.</p>	No	<p>The Company does not have a separate remuneration committee. The role of the remuneration committee is undertaken by the Board. The Board considers that, given its current size in the Company, no benefit would be gained by establishing a separate remuneration committee. The Company will set out the remuneration paid to Directors annually in the remuneration report contained within the Company's annual report to Shareholders. At a later date the Board will consider forming a separate remuneration committee.</p>
<p><b>Recommendation 8.2</b> 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</p>	Yes	<p>The Company's policies and practises regarding the remuneration of Executive and Non-Executive Directors and other senior executives are set out in the remuneration report contained in the Company's annual report for each financial</p>

<p><b>Recommendation 8.3</b></p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	The Company's Performance Rights Plan was adopted and approved by shareholders at the Company's 2017 Annual General Meeting. Eligible participants (directors, employees and contractors) are allowed to participate in the Performance Rights Plan once invited by the Board. A summary of the Performance Rights Plan is available on the Company's website.
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