

**GREATLAND GOLD PLC**  
**(“Greatland” or “the Company”)**  
**CORPORATE GOVERNANCE STATEMENT**

All members of the board of Greatland Gold plc are committed to the principles of good corporate governance. We believe strongly in the value and importance of strong corporate governance and in our accountability to all of Greatland’s stakeholders, including shareholders, employees, contractors and suppliers and native title communities. We recognise the importance of promoting and maintaining a strong occupational health and safety culture and minimising the impact of our activities on local communities and the environment.

Changes to the AIM rules on 30 March 2018 required AIM companies to apply a recognised corporate governance code from 28 September 2018. Greatland has chosen to adhere to the Quoted Company Alliance’s (“QCA”) Corporate Governance Code for Small and Mid-Size Quoted Companies (revised in April 2018 to meet the new requirements of AIM Rule 26).

The QCA Code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. We have considered how we apply each principle to the extent that the board judges these to be appropriate in the circumstances, and below we provide an explanation of the approach taken in relation to each.

At this time, the board believes that it is compliant with all ten Principles of the QCA Code.

**The following paragraphs set out Greatland Gold plc’s compliance with the 10 principles of the QCA Code.**

**Principle 1: Establish a strategy and business model which promotes long-term value for shareholders**

The principal activity of the Company is to explore for and develop natural resources, with a focus on gold. The Board seeks to increase shareholder value by the systematic evaluation of its existing resource assets, and by acquiring exploration and development projects in underexplored areas.

The Company’s strategy and business model is developed by the CEO and is approved by the Board. The executive directors who report to the Board are responsible for implementing the strategy and managing the business.

The Company’s primary strategy is to advance projects that have potential for the discovery of large mineralised systems (typically considered to be in excess of one million ounces of gold) through the various stages of exploration and development with a view to monetising at least one or more of those projects, whether through an outright sale, joint venture, or spin-out via initial public offering, within a three to five year period.

The key challenges we face include:

- Mineral exploration - Mineral exploration is a high-risk activity and there can be no guarantee that the Company can identify a mineral resource that can be extracted economically. In order to minimise this risk and to maximise the Company’s chances of long-term success, we are committed to the following strategic business principles:
  - The board regularly reviews our exploration and development programmes and allocates capital in a manner that it believes will maximise risk-adjusted return on capital;
  - We focus our activities on jurisdictions that we believe represent low political and operational risk. Moreover, we strongly prefer to operate in jurisdictions where our team has considerable on the ground experience. At the present time, all of the Company’s projects are in Australia, a country with established mining codes, stable government, skilled labour force, excellent infrastructure, and a well established mining industry;

- We apply advanced exploration techniques to areas and regions that we believe are relatively under-explored historically;
- Exploration work is conducted on a systematic basis. More specifically, exploration work is carried out in a phased, results-based fashion and leverages a wide range of exploration methods including modern geochemical and geophysical techniques and various drilling methods.
- Commodity price risk – The principal commodities that are the focus of our exploration and development efforts (precious metals and base metals) are subject to highly cyclical patterns in global demand and supply, and consequently, the price of those commodities is highly volatile.
- Recruiting and retaining highly skilled directors and employees – the Company’s ability to execute its strategy is highly dependent on the skills and abilities of its people. We undertake ongoing initiatives to foster good staff engagement and ensure that remuneration packages are competitive in the market.
- Occupational health and safety – every Director and employee of the Company is committed to promoting and maintaining a safe workplace environment. The Company regularly reviews occupational health and safety policies and compliance with those policies. The Company also engages with external occupational health and safety expert consultants to ensure that policies and procedures are appropriate as the Company expands its activity levels.

**Principle 2: Seek to understand and meet shareholder needs and expectations**

We have made significant efforts to ensure regular and effective engagement with our broad base of shareholders. In addition to our Annual General Meeting, which is one of our primary forums to present to and meet with investors, we engage in a wide range of activities designed to ensure that investors are regularly updated on the progress of the Company and we attend investor events that provide investors with the opportunity to provide us with feedback and suggestions.

Responsibility for investor relations rests with the CEO, supported by the other Directors of the Company. During the last 12 months, the following activities were conducted in order to engage with shareholders and to ensure that the members of the Board maintained and further developed a strong understanding of the needs and expectations of shareholders:

Description of Activity	Frequency	Participants	Comments
AGM	Annually	All Directors	
CEO interviews	Weekly	CEO	CEO conducts regular interviews with Proactive Investors, BRR Media, and Share Talk
Investor Presentations	Quarterly	CEO, CTO	Company presents at various investor presentation forums
Investor Shows and Industry Conferences	Bi-Annually	CEO, CTO, Chairman	The Company attends and presents at various investor shows

The Company is committed to communicating openly with its shareholders to ensure that its strategy and performance are clearly understood. All Company announcements and the Company’s most recent investor presentation are available to shareholders, investors and the public on our website.

Private shareholders: The AGM is the principal forum for dialogue with private shareholders, and we encourage all shareholders to attend and participate. Last year, the AGM was well attended with approximately thirty shareholders present at the meeting. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. All members of the board, and the committees, attend the AGM whenever possible and are available to answer questions raised by shareholders. Shareholders vote on each resolution, and voting can also be counted by way of a poll. For each

resolution we announce the number of votes received for, against and withheld. The company also maintains a dedicated email address which investors can use to contact the company which is prominently displayed on its website together with the company's address and phone number.

Institutional shareholders: The directors actively seek to build a mutual understanding of the objectives of institutional shareholders. We communicate with institutional investors frequently through a combination of formal meetings, participation at investor conferences, and informal briefings with management. The majority of meetings with shareholders and potential investors are arranged by the Company's corporate broker.

**Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success**

The Board recognises its responsibility under UK corporate law to promote the success of the Company for the benefit of its members as a whole. The Board also understands that it has a responsibility towards employees, partners, suppliers and contractors and the local communities in which it operates.

Stakeholder	Reason for Engagement	How we engage
Shareholders	Shareholders are the owners of the Company and the board's primary mission is to increase shareholder value	As described in previous section (Principle 2)
Suppliers and Contractors	The Company engages with external suppliers to conduct the majority of its field exploration activities (including drilling and geophysical surveys)	We work to ensure that all members of staff engage in a respectful and professional manner with suppliers. We operate systems to ensure that supplier invoices are processed and paid promptly.
Staff and Employees	Recruiting and retaining highly skilled and motivated professions is one of the key drivers of our success	In addition to regular communication between Directors and employees, we conduct monthly staff meetings to promote two-way communication.
Native Title Communities	The Company recognises the important heritage of the traditional owners of the land and its ethical and legal responsibility to work together with those communities	The Company ensures that it regularly engages with native title communities and routinely engages with external expert consultants

**Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation**

The CEO maintains a risk register for the Company that identifies key risks in the areas of corporate strategy, financial, staff, occupational health and safety, environmental and native title relations. All members of the board are provided with a copy of the register. The register is reviewed periodically and is updated as and when necessary.

Within the scope of the annual audit, specific financial risks are evaluated in detail, including in relation to foreign currency, liquidity and credit.

Managing occupational health and safety risk is one of the key focuses of all directors and employees. Staff are required to immediately report any occupational health and safety incidents and regular training is undertaken to ensure compliance with health and safety policies.

### **Principle 5: Maintain the board as a well-functioning, balanced team led by the chair**

The Board sets the Company's strategy and ensures that necessary resources are in place in order for the Company to meet its objectives. All members of the Board take collective responsibility for the performance of the Company and all decisions are taken in the interests of the Company.

Whilst the Board has delegated the normal operational management of the Company to the Executive Directors and other senior management, there are detailed specific matters subject to decision by the Board of Directors. These include decisions to commit to major exploration campaigns and approval of associated exploration budgets, acquisitions and disposals, joint ventures and other investments of a capital nature. The Non-executive Directors have a particular responsibility to challenge constructively the strategy proposed by the Executive Directors, to scrutinise and challenge performance, and to ensure appropriate remuneration and that succession planning arrangements are in place in relation to Executive Directors and other senior members of the management team.

The members of the board have a collective responsibility and legal obligation to promote the interests of the Company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the Chair of the board.

The board consists of four directors of whom two are executive directors (Gervaise Heddle, Chief Executive Officer and Callum Baxter, Chief Technical Officer) and two are independent non-executive directors (Alex Borrelli, Non-Executive Chairman and Clive Latcham, Non-Executive Director) The board is supported by two committees: audit and remuneration. The board does not consider that it is of a size at present to require a separate nominations committee, and all members of the board are involved in the appointment of new Directors.

All Directors are required to attend 10-12 board and board committee meetings per year and to be available at other times as required for face-to-face and telephone meetings with the executive team and investors. Board meetings are led by the Chair and follow an agenda that is circulated prior to the meeting. Every board and committee meeting is minuted and every Director is aware of the right to have any concerns minuted and to seek independent advice at the Company's expense where appropriate.

### **Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities**

All four members of the board bring relevant experience in mining and resources, and all have many years experience in public markets. The board believes that its blend of relevant experience, skills and personal qualities and capabilities is sufficient to enable it to successfully execute its strategy. Directors attend seminars and other regulatory and trade events to ensure that their knowledge remains current.

Alex Borrelli, Independent Non-Executive Chairman

Term of office: Joined as Non-Executive Director on 18 April 2016. Appointed as Non-executive Chairman on 14 August 2016; Chair of the Remuneration Committee and Chair of the Audit Committee.

Background and suitability for the role: Alex Borrelli is Chairman of Greatland Gold plc. Alex qualified as a Chartered Accountant and has many years' experience in investment banking encompassing flotations, takeovers, and mergers and acquisitions for private and quoted companies. Alex is also Chairman of BMR Group plc and Xpediator plc, both AIM-listed companies.

Gervaise Heddle, Chief Executive Officer, Executive Director

Term of office: Joined as Non-Executive Director on 27 May 2016. Appointed as Executive Director on 18 July 2016, Appointed as Chief Executive Officer on 19 January 2017; Member of the Audit Committee.

Background and suitability for the role: Gervaise Heddle is Chief Executive Officer of Greatland Gold plc. Previously, Gervaise was a Non-executive Director of Thor Mining plc, a Non-executive Director of MetalNRG plc, a Division Director of Macquarie Bank and a Fund Manager at Merrill Lynch Investment Managers. Gervaise is a CFA charterholder and has extensive financial markets experience.

Callum Baxter, Chief Technical Officer, Executive Director

Term of office: Co-Founding Director of the Company, Appointed as Chief Technical Officer on 19 January 2017.

Background and suitability for the role: Callum Baxter is Chief Technical Officer of Greatland Gold plc and Chairman/CEO of investee company Starvest plc. Callum is an experienced geologist and investor with over twenty years exposure to capital markets and the natural resources sector specialising in early stage exploration.

Clive Latcham, Independent Non-Executive Director

Term of office: Joined as Non-Executive Director on 15 October 2018. Member of the Remuneration Committee and Member of the Audit Committee.

Background and suitability for the role: Clive Latcham is a Non-Executive Director of Greatland Gold plc. Clive is a chemical engineer and mineral economist with over thirty years' experience in senior roles in the mining sector. Clive joined Greatland from ERM - Environmental Resource Management, the world's leading sustainability consultancy group, where he is currently Senior External Advisor, and advisor to the Chairman and Chief Executive Officer. Prior to his role at ERM, Clive worked as an independent advisor to private equity and mining consultancy firms, and spent nine years in senior roles with Rio Tinto plc. During his time at Rio Tinto, Clive spent four years as Copper Group Mining Executive, where he was responsible for managing Rio Tinto's investments in the operating businesses of Escondida in Chile, Grasberg in Indonesia, and Palabora in South Africa and for the initial development of new projects and acquisitions, including La Granja in Peru and La Sampala in Indonesia.

The Company is committed to a culture of equal opportunities for all employees regardless of gender. The Board will be diverse in terms of its range of culture, nationality and international experience. The current Board members are male and, within the senior management team, there is one female geologist as well as one male geologist.

#### **Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

A board evaluation process led by the Chairman took place in October 2019. All then current Directors began by completing a questionnaire about the effectiveness of the board and a self-assessment of their own contributions that was returned to the Chairman. The Chairman then reviewed this information and used it as the basis for an individual discussion with each Director, followed by a collective discussion with the board.

The review considers effectiveness in a number of areas including general supervision and management, business risks and opportunities, succession planning, communication (both internal and external), ethics and compliance, corporate governance and individual contribution.

A number of refinements in working practices were identified as a result of this exercise and have since been adopted.

#### **Principle 8: Promote a corporate culture that is based on ethical values and behaviours**

The board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. Our core values serve as a common language that allows all members of staff to work together as an effective team and it is these values and our shared long-term business vision and strategy that we believe will drive growth in shareholder value over the long term.

We are committed to three core values:

1. Creating a safe, positive and inclusive workplace environment
2. Engaging all stakeholders and the broader community with respect, integrity and honesty
3. Fostering a high performance culture that values the contribution of all team members

**Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board**

The Board provides strategic leadership for the Company and operates within the scope of a robust corporate governance framework. Its purpose is to ensure the delivery of long-term shareholder value, which involves setting the culture, values and practices that operate throughout the business, and defining the strategic goals that the Company implements in its business plans. The board defines a series of matters reserved for its decision and has approved terms of reference for its Audit and Remuneration Committees to which certain responsibilities are delegated. The chair of each committee reports to the board on the activities of that committee.

For the financial year ended 30 June 2019, the Board met ten times in relation to normal operational matters.

**Committees and Governance Structures**

The Audit Committee monitors the integrity of financial statements, oversees risk management and control, monitors the effectiveness of the internal audit function and reviews external auditor independence. The Audit Committee comprises Alex Borrelli, Clive Latcham and Gervaise Heddle.

The Remuneration Committee sets and reviews the compensation of executive directors including the setting of targets and performance frameworks for cash- and share-based awards. The Remuneration Committee comprises Alex Borrelli and Clive Latcham.

The Executive Team, consisting of the Executive Directors, operates as a management committee, chaired by the CEO, which reviews operational matters and performance of the business, and is responsible for significant management decisions while delegating other operational matters to individual managers within the business.

The Chairman has overall responsibility for corporate governance and in promoting high standards throughout the Company. He leads and chairs the board, ensuring that committees are properly structured and operate with appropriate terms of reference, ensures that performance of individual Directors, the board and its committees are reviewed on a regular basis, leads in the development of strategy and setting objectives, and oversees communication between the Company and its shareholders.

The CEO provides leadership and management of the Company, leads the development of objectives, strategies and performance standards as agreed by the board, monitors, reviews and manages key risks and strategies with the board, ensures that the assets of the Company are maintained and safeguarded, leads on investor relations activities to ensure communications and the Company's standing with shareholders and financial institutions is maintained, and ensures that the board is aware of the views and opinions of employees on relevant matters.

The Executive Directors are responsible for implementing and delivering the strategy and operational decisions agreed by the board, making operational and financial decisions required in the day-to-day operation of the Company, providing executive leadership to managers, championing the Company's core values and promoting talent management.

The Independent Non-Executive Directors contribute independent thinking and judgement through the application of external experience and knowledge, scrutinises the performance of management, provides constructive challenge to the Executive Directors and ensures that the Company is operating within the governance and risk framework approved by the board.

The Company Secretary is responsible for providing clear and timely information flow to the board and its committees and supports the board on matters of corporate governance and risk.

The matters reserved for the board are:

- Setting long-term objectives and commercial strategy;

- Approving annual operating and capital expenditure budgets;
- Changing the share capital or corporate structure of the Company;
- Approving half year and full year results and reports;
- Approving dividend policy and the declaration of dividends;
- Approving major new exploration programmes, investments, disposals, and other capital projects;
- Approving resolutions to be put to general meetings of shareholders and the associated documents or circulars; and
- Approving changes to the board structure.

The board has approved the adoption of the QCA Code as its governance framework against which this statement has been prepared and will monitor the suitability of this Code on an annual basis and revise its governance framework as appropriate as the Company evolves.

### **Internal controls**

The Directors acknowledge their responsibility for the Company's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in the light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

### **Insurance**

The Company maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company.

### **Treasury Policy**

The Company finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Company. Decisions regarding the management of these assets are approved by the Board.

### **Securities Trading**

The Board has adopted a Share Dealing Code that applies to Directors, senior management and any employee who is in possession of 'inside information'. All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

### **Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The Board recognises that meaningful engagement with its shareholders is integral to the continued success of the Company. Over the past 12 months, members of the Board have sought to actively engage with shareholders on a number of occasions, through meetings, presentations and investor shows (as described in Principle 2).

Over the next 12 months, the Board expects to maintain a regular dialogue with investors that will provide investors with updates on company performance and any changes to the corporate governance structures and/or policies.

The Board keeps investors informed through updates on the Investor Relations section of the Company's website.

By order of the board

Alex Borrelli  
Chairman

**Advisers**

**Company Secretary and Registered Office**

Stephen F Ronaldson  
c/o Druces LLP  
Salisbury House  
London Wall  
London EC2M 5PS, UK

**Nominated Adviser**

SPARK Advisory Partners Limited  
Mark Brady /Andrew Emmott/James Keeshan  
Tel: +44 (0)20 3368 3550

**Joint Broker**

Numis Securities Limited  
Matthew Hasson/John Prior/Alamgir Ahmed  
Tel: +44 (0)20 7260 1000

**Joint Broker**

SI Capital Limited  
Nick Emerson/Alan Gunn  
Tel: +44 (0)14 8341 3500

**Media and Investor Relations**

Luther Pendragon  
Harry Chathli/Alexis Gore  
Tel: +44 (0)20 7618 9100

**Auditor**

Chapman Davis LLP

**Registrar**

Share Registrars Limited

Last Updated: 10 October 2019