

## **Dome Gold Mines Ltd**

and its controlled entities

The Group's Corporate Governance Statement is current and was approved by the Board on 27 September 2021. The Corporate Governance Statement is available on the Company's website at [www.domegoldmines.com.au](http://www.domegoldmines.com.au).

This statement outlines the main Corporate Governance practices that were in place throughout the financial year, which comply with the Australian Stock Exchange ('ASX') Corporate Governance Principles and Recommendations 4<sup>th</sup> Edition ('Recommendations'), unless otherwise stated.

### **Corporate Governance Statement**

The Board of Directors is committed to maintaining the highest standards of Corporate Governance. Corporate Governance is about having a set of core values and behaviours that underpin the Group's activities and ensure transparency, fair dealing and protection of the interests of stakeholders.

The Board of Directors supports the Principles of Good Corporate Governance and Best Practice Recommendations developed by the ASX Corporate Governance Council ('Council'). Whilst the Group's practices are largely consistent with the Council's guidelines, the Board considers that the implementation of some recommendations are not appropriate having regard to the nature and scale of the Group's activities and size of the Board. The Board uses its best endeavours to ensure exceptions to the Council's guidelines do not have a negative impact on the Group and the best interests of shareholders as a whole. When the Group is not able to implement one of the Council's recommendations the Group applies the 'if not, why not' explanation approach by applying practices in accordance with the spirit of the relevant principle.

The following discussion outlines the ASX Corporate Governance Council's eight principles and associated recommendations 9.1 through 9.3 and the extent to which the Company complies with those recommendations.

Details of all of the Council's recommendations can be found on the ASX website at <http://www.asx.com.au>.

### **Principle 1 – Lay solid foundations for management and oversight**

#### **Board roles and responsibilities**

The Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Group. The Board is also responsible for the overall corporate governance and management oversight of the Group and recognises the need for the highest standards of behaviour and accountability in acting in the best interests of the Group as a whole.

The Board also ensures that the Group complies with all of its contractual, statutory and any other legal or regulatory obligations. The Board has the final responsibility for the successful operations of the Group.

Where the Board considers that particular expertise or information is required, and which is not available from within their members, appropriate external advice may be taken and reviewed prior to a final decision being made by the Board.

Without intending to limit the general role of the Board, the principal functions and responsibilities of the Board include the following:

- formulation and approval of the strategic direction, objectives and goals of the Group;
- the prudential control of the Group's finances and operations and monitoring the financial performance and approving budgets and major expenditures of the Group;
- the resourcing, review and monitoring of executive management;
- ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- the identification of significant business risks and ensuring that such risks are adequately managed;
- the timeliness, accuracy and effectiveness of communications and reporting to shareholders and the market;
- the establishment and maintenance of appropriate ethical standards;
- overseeing the integrity of the accounting and corporate reporting systems and the external audit process;
- approving the Group's remuneration framework; and
- monitoring the effectiveness of corporate governance practices.

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The Group CEO and if no CEO a Director and CFO are responsible for implementing and maintaining the Board objectives and the day to day management of the Group. Dome management is responsible for providing the Board with accurate and relevant information in a timely manner to assist the Board in developing appropriate policies and decision making.

The Company has followed Recommendation 1.1 by establishing the functions reserved to the Board and those delegated to senior executives as disclosed above.

### **Appointment as a Director**

The Company has followed Recommendation 1.2 by ensuring that the Directors who will come before shareholders for re-election at the Company's Annual General Meeting are suitable for the Group and equipped with the knowledge and information to discharge their roles adequately. In addition, the Company ensures that all relevant information that it possesses is disclosed in the notice of meeting to enable shareholders to make a decision on whether or not to elect or re-elect a Director. The Board ensures that appropriate checks are undertaken on a person before appointing that person to the Board. The Company confirmed that it has conducted appropriate checks of a candidate background and experience before its appointment.

The Company has followed Recommendation 1.3 by having a written agreement with each Director and senior executive setting out the terms of their appointment.

### **Company Secretary**

The Company has followed Recommendation 1.4 by ensuring that the Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper function of the Board.

### **Diversity policy**

The Company's Board does take into account the gender, age, ethnicity, and cultural background of potential Board members, Company executives and employees. However, given the small size of the Group, a formal diversity policy has not been established and therefore Recommendation 1.5 has not been followed. The Company advises that as at the date of this report 50% of the Company's employees are females. The Company has two male directors and subsequent to 30 June 2021 a female director was appointed to the Board.

### **Board performance review and evaluation**

The Board has a policy to ensure that the Directors are equipped with the knowledge and information they need to effectively discharge their responsibilities. The Chairman monitors the performance of the Board, individual Directors and committees, if a committee is in place, on an on-going basis and speaks to Directors individually regarding their role as a Director. In doing so, the Company has followed Recommendation 1.6.

### **Senior executives' performance review and evaluation**

Having regard to the size of the Group and the small number of employees, other than the Directors, the Company does not have a formal process to evaluate the performance of its senior executives. However, the Chairman monitors the performance of the CEO, if one is in office, on an ongoing basis and speaks to the executive individually regarding their roles. In doing so, the Company has followed Recommendation 1.7.

## **Principle 2 – Structure the Board to add value**

The Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given the Group's current size, scale and nature of its activities.

### **Nomination committee**

The objective of a Nomination Committee is to make recommendations to the Board regarding various matters including board succession, recruitment, induction, professional development, performance evaluation, recommending an appropriate balance of skills, knowledge, experience, independence and diversity as required. A Nomination Committee has not been established, however, in accordance with Recommendation 2.1, the full Board has the responsibility for and performs the functions of a Nomination Committee.

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### Board skills matrix

The board has a mix of skills for effective decision-making. The Company follows Recommendation 2.2 by disclosing the Directors' qualifications, experience, date of appointment and independence status, which satisfy the Board skills matrix below, in the Directors' Report.

Area	Competence
Legal	Corporation and Commercial Law and Corporate Governance
Investment	Corporate mergers and acquisitions, corporate financing, fund raising
Industrial knowledge	Geology, mineral exploration, mine development, mineral marketing
Business management	Management experience in public listed companies, media communications and human resources

### Independent Directors

The Company follows Recommendation 2.3 by disclosing information in the table below and the Directors' qualifications, experience, date of appointment and independence status in the Directors' Report section of the Annual Report.

#### Details of Directors

Name of Director	Term in office	Qualifications	Status
Dr Garry Lowder	Since 1 March 2012 Resigned 28 February 2021	Bachelor of Science with 1st Class Honours in Geology (University of Sydney) Doctor of Philosophy (University of California, Berkeley) Advanced Management Program (Harvard University)	Non-executive Independent
Mr John V. Macarthy	Since 13 January 2021	Bachelor of Science (Major in Geology) St Francis Xavier University, Antigonish Nova Scotia, Canada	Non-executive Non-Independent
Ms Sarah Harvey	Since 27 July 2017 to 21 January 2021; Since 24 September 2021	Bachelor of Arts (University of Adelaide) Bachelor of Law (University of Adelaide) Master of Law (College of Law, Sydney) Certificate in Governance Practice (Institute of Governance)	Non-executive Non-independent
Mr Tadao Tsubata	Since 8 July 2011	Bachelor of Arts in Economics (Kokushikan University, Tokyo)	Non-executive Non-independent

At the date of this report, the Company classified all Director as Non-Independent Director. Therefore, the Company does not follow Recommendation 2.4. However, it is the Board's opinion that all Directors bring to the Board their uncompromised independent judgement, irrespective of whether they are independent or not.

### Chairperson and CEO

Mr John MaCarthy, a Non-Independent Director, holds the office of Chair. The Chairman is responsible for the leadership of the Board. This includes taking responsibility for ensuring that the Board functions effectively and that they comply with the continuous disclosure requirements of the ASX with regard to communicating the operations and activities of the Group to shareholders. The Chairman's responsibilities are set out in the Board Charter and include:

- setting the agenda for Board meetings;
- managing the conduct, frequency and length of Board meetings to ensure that all Directors have had the opportunity to establish a detailed understanding of the issues affecting the Group;
- facilitating the Board meetings to ensure effective communication between the Directors and that all Directors have contributed to the decision making process thereby leading to a considered decision being made in the best interest of the Group and its shareholders.

The Company does not followed Recommendation 2.5. Because Mr John Macarthy is Non-Independent Chairman. At the date of this report the Company has not appointed a new CEO.

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### **Directors' Induction and education**

In accordance with Recommendation 2.6, the Company encourages Directors to continue their professional development to maintain the skills and knowledge needed to perform their roles effectively and has the policy to provide each new Director or officer with a copy of the following documents:

- Code of Conduct;
- Continuous Disclosure Policy;
- Share Trading Policy; Shareholders Communication Policy; and
- Whistleblower Policy

### **Principle 3 – Instil a culture of acting lawfully, ethically and responsibly.**

#### **Values and ethical standards**

All directors, executives and employees are expected to act with the utmost integrity and objectivity in carrying out their duties and responsibilities, endeavouring at all times to enhance the reputation and performance of the Company. Every employee has direct access to a director to whom they may refer any ethical issues that may arise from their employment.

In accordance with Recommendation 3.1 directors, executives and employees are expected to adhere to:

- work in harmony and bring out the best in each other;
- consider the impact of actions on others;
- strive for excellence and quality of work;
- act with integrity and be accountable for actions;
- maintain professional ethical standards to the utmost of integrity;
- recognise work of others, embrace their innovations and recognise their contribution.

#### **Code of Conduct and Ethical Standards**

In accordance with recommendation 3.2, the Company has adopted a formal Code of Conduct Policy which is available on the Company's website at [www.domegoldmines.com.au](http://www.domegoldmines.com.au).

#### ***Access to Group information and confidentiality***

All Directors have the right of access to all relevant Group books and to the Group's executive management. In accordance with legal requirements and agreed ethical standards, Directors and executives of the Group have agreed to keep confidential information received in the course of exercising their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

#### ***Share dealings and disclosures***

The Group has adopted a policy relating to the trading in Company securities. The Board restricts directors, executives and employees from acting on material information until it has been released to the market. Directors, executives and employees are required to consult with the Chairman prior to dealing in securities in the Company or other companies with which the Company has a relationship.

Trading in Company securities by Directors, executives or employees is not permitted at any time whilst in the possession of price sensitive information that is not already available to the market. In addition, the Corporations Act prohibits the purchase or sale of securities whilst a person is in possession of inside information.

The trading embargo for restricted persons is one week before and 24 hours after the release of the Company's quarterly reports, half-year results, the full-year results or additional periods which are imposed by the Company when senior management becomes aware of a matter that is considered to be price sensitive. Restricted persons are prohibited from trading in the Company's securities outside these trading windows unless in special circumstances and with the approval of the Board.

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### ***Conflicts of interest***

To ensure that Directors are at all times acting in the best interests of the Group, Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Group; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot, or is unwilling to remove a conflict of interest then the Director must, as required by the *Corporations Act*, absent himself from the room when Board discussion and/or voting occurs on matters about which the conflict relates.

### ***Related party transactions***

Related party transactions include any financial transaction between a Director and the Group as defined in the *Corporations Act* or the ASX Listing Rules. Unless there is an exemption under the *Corporations Act* from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction. The Group also discloses related party transactions in its financial statements as required under relevant Accounting Standards.

### **Whistleblower Policy**

The Company considers that improper conduct should be managed through appropriate channels and protecting individuals who report improper conduct or allegations of improper conduct are protected. Dome has followed Recommendation 3.3 and adopted a Whistleblower Policy, a copy of which can be found on the Company's website at [www.domegoldmines.com.au](http://www.domegoldmines.com.au).

### **Anti-bribery and Anti-fraud Policy**

The Company is committed to a culture of corporate compliance and ethical behaviour. However, having regard to the nature of the Company's operations and the size of the Company, Dome has not implemented an Anti-bribery and Anti-fraud Policy and consequently, has not followed Recommendation 3.4.

## **Principle 4 – Safeguard integrity in financial reporting**

### **Audit Committee**

An Audit Committee has been established by the Board. The Committee's role and operations are documented in a Charter which is approved by the Board.

The objective of an Audit Committee is to make recommendations to the Board regarding various matters including the adequacy of the external audit, risk management and compliance procedures, to evaluate from time to time the effectiveness of the financial statements prepared for the Board and to ensure that independent judgement is always exercised. These Audit Committee functions are jointly performed by the full Board. In accordance with the recommendation, the Company advises that the committee met once in the financial year ended 30 June 2021.

Having regard to the current membership of the Board and the size and scope of operation of the Group, the Board has not followed recommendation 4.1 to have an independent chair and at least three members. However, the Audit Committee and a formal charter has been setup to follow Recommendations 4.1.

### **CEO and CFO declarations**

The Company has followed Recommendation 4.2. The Board has required that the CEO and if no CEO a Director of the Company and the CFO make the CEO and CFO declarations as required under section 295A of the *Corporations Act* before it approves the Company's financial statements for a financial period.

The declarations confirm that, in their opinion, the financial records of the Group 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 Group and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. The Company confirmed to have received all CEO and CFO declarations for the financial year ended 30 June 2021.

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### **Process for verification of non-audited / reviewed periodic corporate reports**

The Company has followed Recommendation 4.3. From time to time, Dome releases periodic corporate reports which are not subject to review or audit by Dome's external auditors, such as Appendix 5B - Quarterly Cash Flow Reports, which are subject to approval by the Board or the Managing Director or the Chairperson if no Managing Director is in office before release to the market.

## **Principle 5 – Make timely and balanced disclosure**

### **Continuous disclosure policy**

The Company has followed Recommendations 5.1 and has adopted a written policy for complying with its continuous disclosure obligations under the Listing Rules.

The Board has designated the CEO and if no CEO a Director of the Company and the Company Secretary as being responsible for overseeing and co-ordinating disclosure of information to the ASX as well as communicating with the ASX. Accordingly, the Company will notify the ASX promptly of 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; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Announcements are made in a timely manner, are factual and do not omit material information in order to avoid the emergence of a false market in the Company's securities.

### **Prompt Board receipt of material market announcements**

The Company Secretary forwards all ASX announcements to the Board as soon as they are released on the ASX platform whether the announcements are material or not. Therefore, the Company has followed Recommendation 5.2.

### **Investor or analyst presentations**

The Company has followed Recommendation 5.3 whereby all investor or analyst presentations are first released to the ASX before the commencement of the investor presentation or distribution of the presentation to investors.

## **Principle 6 – Respect the rights of security holders**

### **Communication to the security holders**

The Company has followed Recommendation 6.1 by keeping the investors informed through the Company's website at [www.domegoldmines.com.au](http://www.domegoldmines.com.au), and on the ASX website, under ASX code 'DME' regarding information about the Group, the Board, policies, reports and ASX announcements.

The Company has followed Recommendations 6.2 and 6.3 and has designed a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings.

The Board recognises its duty to ensure that its shareholders are informed of all major developments affecting the Company's state of affairs. The Board considers that information will be communicated to shareholders and the market through:

- the Annual Report which is distributed to shareholders (usually with the Notice of Annual General Meeting);
- the Annual General Meeting and other General Meetings called to obtain shareholder approvals as appropriate;
- the half-yearly financial statements;
- quarterly activities and cash flow reports; and
- other announcements released to the ASX as required under the continuous disclosure requirements of the ASX Listing Rules and other information that may be mailed to shareholders or made available through the Company's website.

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Shareholder meetings provide an open forum for the Board to communicate directly with security holders and for security holders to express their views and ask questions. From 2021, Dome's practice at security holder meetings, including the AGM, is that all resolutions are decided by a poll rather than by a show of hands. Therefore, Dome has followed recommendation 6.4.

The Company has followed Recommendation 6.5 by actively promoting communication with shareholders through a variety of measures, including the use of the Company's website and email. Security holders also have the option to receive communications from, and send communications via its share registry, Computershare Investor Centre at [www.computershare.com.au](http://www.computershare.com.au).

## **Principle 7 – Recognise and manage risk**

### **Risk Committee**

Having regard to the size of the Group, the nature of its activities and the composition of the Board, a Risk Committee has not been established. In order to comply with Recommendation 7.1, the full Board has the responsibility to perform the functions of the Risk Committee.

The Board is responsible for the identification, monitoring and management of significant business risks, assessment of the group's insurance program and the implementation of appropriate levels of internal control, recognising however that no cost effective internal control system will preclude all errors and irregularities.

### **Risk management review**

The Company has followed Recommendation 7.2, whereby the Board reviews the Company's risk management framework continually throughout the year to satisfy itself that it continues to be sound and the Company is operating within the risk appetite set by the board.

### **Internal audit function**

Having regard to the size of the Group and the nature of its activities, an internal audit function has not been established, however, in compliance with Recommendation 7.3, it is disclosed that the full Board carries out the risk management and internal audit functions.

### **Risk management**

In compliance with Recommendation 7.4, the material risks which the Group is exposed to include operational risks, capital risks, environmental risks, economic risks and human resources risks as follows:

- obtaining government approvals;
- geological and environmental issues;
- land access and community disputes;
- the ability to raise additional capital;
- commodity price and world economy;
- recruiting and retaining qualified personnel;
- Sovereign risk (for Fiji).

The Board is responsible to oversee the risk management function and the CEO or if no CEO a Director of the Company is in charge of implementing an appropriate level of control to mitigate these risks within the Group. The Board reviews all major strategies and decisions and takes appropriate actions on a continuous basis.

## **Principle 8 – Remunerate fairly and responsibly**

### **Remuneration Committee**

Having regard to the size of the Group, the nature of its activities and the composition and structure of the Board, a Remuneration Committee has not been established, however, in compliance with Recommendation 8.1, the full Board carries out the functions and responsibilities of a remuneration committee to guarantee that the levels of remuneration for directors and senior executives are appropriate and not excessive as follows:

- executive remuneration;
- executive Director and senior management remuneration;

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- non-executive Directors' remuneration;
- performance measurement;
- termination procedures;
- equity based plans; and
- requirements of remuneration and remuneration benefit public disclosure.

### **Remuneration policy disclosure**

The Company has followed Recommendation 8.2 to disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives.

The following remuneration guidelines have been adopted to ensure that remuneration agreements are equitable, appropriate, and not excessive;

- Directors' remuneration is voted on for approval by shareholders at the AGM;
- the Board approves the salary and emoluments paid to senior executives;
- consultants are engaged as required pursuant to service agreements;
- the full Board ensures that fees, salaries and emoluments are in line with general standards for publicly listed companies of the size and type of the Group; and
- all salaries/fees of Directors and key management personnel are disclosed in the Annual Report

The remuneration package for the CEO is made up of:

- base salary;
- superannuation in accordance with legislation; and
- salary sacrifice to superannuation.

The remuneration packages for the non-executive Directors are made up of:

- fixed fees;
- superannuation in accordance with legislation if fees are paid through payroll;
- salary sacrifice to superannuation;
- equity based remuneration in the form of options (not subject to performance) when invited to participate by the Board subject to shareholders' approval; and
- other consulting fees based on normal market rates.

### **Equity-based remuneration**

As at the date of this report, the Company is not required to follow Recommendation 8.3 because it does not have an equity based remuneration scheme.

### **Principle 9 - Additional Recommendations**

Dome has a Japanese base Director who does not communicate fluently in the English language. The Company has followed Recommendation 9.1 by making an interpreter available at all meetings and for translation of documents.

Recommendation 9.2. The Company confirms that shareholder meetings, including the AGM, are held in Australia where the Company has its Corporate Office.

In accordance with Recommendation 9.3, the Company confirms that the external auditor has attended the Company's AGM by teleconference to be available to answer questions from shareholders with regard to the Company's audit.

This Corporate Governance Statement announcement has been approved by the Board of Dome Gold Mines Ltd.