

Vintage Energy Limited

ACN 609 200 580

Corporate governance statement

This document discloses the extent to which Vintage Energy Ltd (**Company**) will follow, as at the date of its admission to the official list of ASX Limited (**ASX**), the recommendations set by the ASX Corporate Governance Council in the third edition of its Corporate Governance Principles and Recommendations (**ASX Recommendations**). Capitalised terms used in this document have the meanings given to them in the prospectus lodged by the Company with the Australian Securities and Investments Commission on 2 August 2018 (**Prospectus**).

The Company has adopted Corporate Governance Policies which provide written terms of reference for the Company's corporate governance duties

The Corporate Governance Statement is current as at 25 October 2018 and was approved by the Board of the Company on that date

The Company's Corporate Governance Policies are available on the Company's Website at <https://www.vintageenergy.com.au/governance-policies>

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
1.	Principle 1 – Lay solid foundations for management and oversight		
	A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.		
1.1	<p>ASX Recommendation 1.1</p> <p>A listed entity should disclose:</p> <p>a. the respective roles and responsibilities of its board and management; and</p> <p>b. those matters expressly reserved to the board and those delegated to management.</p>	YES	<p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees,</p> <p>Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter is available on the Company's website.</p>
1.2	<p>ASX Recommendation 1.2</p> <p>A listed entity should:</p> <p>a. undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>b. provide security holders with all material information in its possession relevant to a</p>	YES	<p>(a) The Company has guidelines for the appointment and selection of the Board. The Board is required to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate) are undertaken before appointing a person or putting forward to security holders a candidate for election, as a Director.</p> <p>All material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p>

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
	decision on whether or not to elect or re-elect a director.		
1.3	<p>ASX Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	YES	The Company has written agreements with each of its Directors and senior executives.
1.4	<p>ASX Recommendation 1.4</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	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
1.5	<p>ASX Recommendation 1.5</p> <p>A listed entity should:</p> <p>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;</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 or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <p>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</p> <p>2. if the entity is a "relevant employer" under the Workplace gender Equality</p>	Partially	<p>(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives if any have been set and the Company's progress in achieving them.</p> <p>(b) The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.</p> <p>(c) The Board does not presently intend to set measurable gender diversity objectives.</p> <p>The Company recognises that a diverse and talented workforce is a competitive advantage and encourages a culture that embraces diversity. However, the Board considers the Company is not currently of a size to warrant the setting of measurable objectives for achieving gender diversity. The Board will review this position on a regular basis.</p>

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	Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.		
1.6	<p>ASX Recommendation 1.6</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	The Board has not conducted a formal performance evaluation. The Board believes that a formal performance evaluation is not required at this time due to the company being a recently listed Junior resources company. The Chairman is responsible for evaluating the Board and the Committees. The Company will monitor the merits of a formal reviews procedure as the Company grows.
1.7	<p>ASX Recommendation 1.7</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	The Board evaluates the performance of its Key Management Personnel (KMP) against key performance indicators as set by the Board and included in employment contracts. This review is performed annually on the anniversary of the KMP's contract signing. The occurrence of a performance review will be disclosed in the Remuneration report included in the Annual Report from the 2019 year.
2. Principle 2 – Structure the board to add value			
	A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.		
2.1	<p>ASX Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>a. have a nomination committee which:</p> <ol style="list-style-type: none"> 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, and disclose: 	NO	<p>Given the Company's size the Board has decided not to form a separate Nomination Committee as the Board considers the role of such a Committee is most effectively handled by the Board (with the Directors the subject to deliberations excluding themselves.)</p> <p>The Board conducts the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively:</p> <ol style="list-style-type: none"> (i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and <p>all Board members being involved in the Company's nomination process to the maximum extent permitted under the Corporations Act and ASX Listing Rules</p>

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	<p>3. the charter of the committee;</p> <p>4. the members of the committee; and</p> <p>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>		The Board will consider establishing a Nomination Committee as the Company grows.
2.2	<p>ASX Recommendation 2.2</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>	YES	<p>The Company has established a formal board skills matrix. Gaps in the collective skills of the Board are regularly reviewed by the Board as a whole, with the Board proposing candidates for directorships having regard to the desired skills and experience required by the Company as well as the proposed candidates' diversity of background.</p> <p>The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available in the Company's Annual Report and on the Company's website</p>
2.3	<p>ASX Recommendation 2.3</p> <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>	YES	<p>The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Company will disclose those Directors it considers to be independent in its Annual Report and on its ASX website. The Board considers that Mr. Reginald Nelson, and Mr. Nick Smart and Mr. Ian Howarth are independent Directors.</p> <p>(a) The Company will disclose in its Annual Report and ASX website any instances where this applies and an explanation of the Board's opinion why the relevant Director is still considered to be independent. The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.</p>

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
2.4	ASX Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	YES	The Company's Board Charter requires that, where practical, the majority of the Board should be independent. The Board currently comprises a total of 4 directors, 3 of whom are considered to be independent. As such, independent directors are currently a majority of the Board
2.5	ASX Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	YES	The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director. The Chair of the Board is an independent Director and is not the CEO/Managing Director
2.6	ASX Recommendation 2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	NO	Due to the size of the company, the Board does not have a formal program for inducting new Directors and providing appropriate professional development opportunities
3. Principle 3 – Act ethically and responsibly			
A listed entity should act ethically and responsibly.			
3.1	ASX Recommendation 3.1 A listed entity should: a. have a code of conduct for its directors, senior executives and employees; and b. disclose that code or a summary of it.	YES	The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees. The Company's Corporate Code of Conduct is available on the Company's website.
4. Principle 4 – Safeguard integrity in corporate reporting			
A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.			
4.1	ASX Recommendation 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,	YES	The Company has established an Audit and Risk Committee and adopted the Charter as disclosed on the Company's website. The Charter requires at least three members, three of whom should be non-executive directors and a majority of independent directors. The Chair of the Committee must be an independent director and may not be chairperson of the board. Members of the Committee, their qualifications and experience and meetings attended are disclosed in the Directors Report included in the Annual Report of the company each year.

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
	<p>who is not the chair of the board, and disclose:</p> <ol style="list-style-type: none"> 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 <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>		
4.2	<p>ASX Recommendation 4.2</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's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms.</p> <p>The Company will obtain a sign off on these terms for each of its financial statements in each financial year.</p>
4.3	<p>ASX Recommendation 4.3</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 has engaged a reputable and suitably qualified external auditor to perform the external audit function. As part of the engagement a senior representative of the auditor will attend the AGM and is available to answer questions from security holders relevant to the audit.</p>

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5.	Principle 5 – Make timely and balanced disclosure		
	A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.		
5.1	<p>ASX Recommendation 5.1</p> <p>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	The Company has adopted a Disclosure policy which is available on the Company's website which includes its continuous disclosure obligations under the ASX listing Rules and the Corporations Act.
5.2	<p>ASX Recommendation 5.2</p> <p>Companies should provide the information indicated in the guide to reporting on Principle 5.</p>		
6.	Principle 6 – Respect the rights of security holders		
	A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.		
6.1	<p>ASX Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	YES	The Company's website sets out information about the Company including its governance policies and charters.
6.2	<p>ASX Recommendation 6.2</p> <p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	YES	The Company has adopted a Shareholder Communication Policy which aims to promote and facilitate effective two-way communication with investors. The Policy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website.
6.3	<p>ASX Recommendation 6.3</p> <p>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	Shareholders are encouraged to participate at all meetings of members of the Company. Any notice of meeting to Shareholders will state that all Shareholders are encouraged to participate at the meeting and have an opportunity to submit questions to the Board and the Company's external auditors.
6.4	<p>Recommendation 6.4</p> <p>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 Shareholder Communication Policy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholders queries should be referred to the Company Secretary at first instance.</p>

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
7.	Principle 7 – Recognise and manage risk		
	A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.		
7.1	<p>ASX Recommendation 7.1</p> <p>The board of a listed entity should:</p> <p>a. have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> 1. has at least three members, a majority of whom are independent directors; and 2. is chaired by an independent director, <p>and disclose:</p> <ol style="list-style-type: none"> 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>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>	YES	<p>The Company has established an Audit and Risk Committee in accordance with the Audit and Risk Committee Charter disclosed on the Company's website.</p> <p>The Company has also adopted a Risk Management Policy (disclosed on the Company's website) which is designed to assist the Company to identify, evaluate, monitor and manage risks affecting the Company.</p> <p>The Audit and Risk Committee is responsible for the implementation, supervision and to review the effectiveness of the Company's risk management framework.</p> <p>Members of the Committee their qualifications and experience and meetings attended are disclosed in the Directors Report included in the Annual report of the Company each year.</p>
7.2	<p>ASX Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <p>a. review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>b. disclose, in relation to each reporting period, whether such a review has taken place.</p>	YES	<p>The Risk Management Policy requires the Audit and Risk Committee to review the Company's risk management policies and procedures annually. The review will be disclosed in the Annual Report.</p>

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
7.3	<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <p>a. if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>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>	YES	<p>(a) Due to the size and nature of operations The Company does not have an internal audit function. The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function.</p> <p>(b) The Audit and Risk Committee Charter and the Risk Management policy provides processes for managing and improving the effectiveness of Risk Management.</p>
7.4	<p>ASX Recommendation 7.4</p> <p>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 Audit and Risk Committee Charter requires the Audit and Risk Committee to assist management determine whether the Company 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> <p>The Company will disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company will disclose this information in its Annual Report and on its ASX website as part of its continuous disclosure obligations.</p>
<p>8. Principle 8 – Remunerate fairly and responsibly</p>			
<p>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.</p>			
8.1	<p>ASX Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>a. have a remuneration committee which:</p> <ol style="list-style-type: none"> 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 	NO	<p>The Board has not established a remuneration committee as this is considered unnecessary due to the Company's current size. The Board believes it can adequately deal with the matters typically within the purview of a remuneration committee.</p> <p>The Company has provided disclosure in relation to the Company's remuneration policy in the Prospectus. Further disclosure will be provided annually in accordance with the ASX Listing Rules and the Corporations Act.</p> <p>The Company is currently reviewing the adoption of a Remuneration Charter and the creation of a remuneration committee at the appropriate time.</p>

	ASX RECOMMENDATION	COMPLIED WITH?	COMMENT
	<p>meetings; 43 or</p> <p>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.</p>		
8.2	<p>ASX Recommendation 8.2</p> <p>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	The Company's Corporate Governance Policies require the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives, which is disclosed on the Company's website as well as in the Company's Annual Report
8.3	<p>ASX Recommendation 8.3</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>	N/A	The Company does not currently have an equity-based remuneration scheme. A policy will be developed under guidance of the Remuneration Committee if and when an equity-based remuneration scheme is introduced."