

# DGO Gold Limited

ABN 96 124 562 849

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Australia

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Website: [www.dgogold.com.au](http://www.dgogold.com.au)

30 September 2015

Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000


Dear Sirs,

**Re: Appendix 4G and 2014 Corporate Governance Statement**

Please find attached the Appendix 4G and 2015 Corporate Governance Statement for DGO Gold Limited.

Yours faithfully

**DGO GOLD LIMITED**



**MICHAEL ILETT  
COMPANY SECRETARY**

## Appendix 4G

# Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

DGO Gold Limited

ABN/ARBN

96 124 562 849

Financial year ended

30 June 2015

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

these pages of our annual report: \_\_\_\_\_

this URL on our website: [www.dgogold.com.au](http://www.dgogold.com.au)

The Corporate Governance Statement is accurate and up to date as at [*insert effective date of statement*] and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date here: 30 September 2015



Sign here: \_\_\_\_\_  
Company Secretary

Print name: Michael Ilett

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<b><u>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</u></b>			
1.1	<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>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Board Charter</p> <p><a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a></p> <p>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Corporate Governance Statement and Board Charter</p> <p><a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.2	<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 decision on whether or not to elect or re-elect a director.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Notice of Annual General Meeting 2015 Annual Report</p> <p><a href="http://www.dgogold.com.au">www.dgogold.com.au</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b><u>OR</u></b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>1.4 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>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location: Board Charter <a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.5 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 Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <hr/> <p><i>Insert location here</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at this location: Diversity Policy <a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a></p> <p>... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	<hr/> <i>Insert location here</i>	
<p>1.6 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>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <hr/> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <hr/> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.7 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>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location: 2015 Annual Report – Remuneration Report contained in the Directors’ Report. <a href="http://www.dgogold.com.au">www.dgogold.com.au</a></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <hr/> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <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; <b>OR</b></p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]  ... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Remuneration and Nomination Committee Charter</p> <p><a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>2015 Annual Report –Contained in the Directors’ Report. <a href="http://www.dgogold.com.au">www.dgogold.com.au</a></p> <p>[If the entity complies with paragraph (b):]  ... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>2015 Annual Report – Directors’ Report <a href="http://www.dgogold.com.au">www.dgogold.com.au</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
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.	<p>... the fact that we follow this recommendation:</p> <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
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.	<p>... our code of conduct or a summary of it:</p> <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at this location: Code of Conduct Policy and Ethics Policy <a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met	<p>[If the entity complies with paragraph (a):]  ... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> ... and a copy of the charter of the committee: <input checked="" type="checkbox"/> at this location: Audit Committee Charter <a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement



Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>throughout the period and the individual attendances of the members at those meetings; <b>OR</b></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>	<p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>2015 Annual Report – Directors’ Report  <a href="http://www.dgo.gold.com.au">www.dgo.gold.com.au</a></p> <p>[If the entity complies with paragraph (b):]  ... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	
<p>4.2 The board of a listed entity should, before it approves the entity’s financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	<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>	<p>... our continuous disclosure compliance policy or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location</p> <p>Code of Conduct Policy and Ethics Policy</p> <p><a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	<p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>... information about us and our governance on our website:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.dgogold.com.au">www.dgogold.com.au</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.2	<p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Company web site</p> <p><a href="http://www.dgogold.com.au">www.dgogold.com.au</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.3	<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>	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
6.4 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>		
7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <b>OR</b> (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.	[If the entity complies with paragraph (a):] ... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2): <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> ... and a copy of the charter of the committee: <input type="checkbox"/> at this location:  ... and the information referred to in paragraphs (4) and (5): <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> [If the entity complies with paragraph (b):] ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: <input checked="" type="checkbox"/> In our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at this location  Board Charter Risk Management Policy  <a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; <b>OR</b> (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.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: _____ <i>Insert location here</i>  [If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <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; <b>OR</b></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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Remuneration and Nomination Charter</p> <p><a href="http://www.dgogold.com.au/investorcentre_corporategovernance.html">www.dgogold.com.au/investorcentre_corporategovernance.html</a></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>In the Remuneration Report contained in the Annual Report.</p> <p><a href="http://www.dgogold.com.au">www.dgogold.com.au</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<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>	<p>... our policy on this issue or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b></p> <p><input checked="" type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b><u>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</u></b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

## Corporate Governance Statement

The Board of Directors of DGO Gold Limited (“the Company”) is committed for establishing a high level of corporate governance. The Company has adopted and the Board has approved this corporate governance framework having considered the revised Corporate Governance Principles and Recommendations 3rd Edition as amended at 30 June 2014 issued by the ASX Corporate Governance Council having regard to the interests of its shareholders, and the size, nature and type of the Company’s operations.

The Board and management are committed to the corporate governance framework and guides and monitor the business and affairs of the Company on behalf of its stakeholders. The following table summarises the Company’s compliance with the practices recommended by the ASX Corporate Governance Council. Where the Company has considered it was not practical or necessary to comply with a particular principle and recommendation the Board’s reasons for the departure is out in the notes relating to the relevant principle and recommendation referred to in the table.

Principles and Recommendations	Adopted	If not explanation provided
<b>Principle 1 – Lay solid foundations for management and oversight</b>		
Recommendation 1.1 - Companies should disclose the roles and responsibilities of its board and management, those expressly reserved to the board and those delegated to management.	Yes	
Recommendation 1.2 - Companies should undertake appropriate checks prior to the appointment or election of a director and provide shareholders with information relevant to the election of a director.	Yes	
Recommendation 1.3 - Companies should have written agreements as to the appointment of directors and senior executives.	Yes	
Recommendation 1.4 – The company secretary should be accountable directly to the board, through the chairman, as to the proper functioning of the board.	Yes	
Recommendation 1.5 – Companies should have and disclose a diversity policy setting measurable objectives for achieving gender diversity and annually assess and disclose the objectives and progress towards their achievement.	No	Yes
Recommendation 1.6 – Companies should have and disclose processes for evaluating board, committee and director performance, and disclose any performance evaluation undertaken.	Yes	
Recommendation 1.7 - Companies should have and disclose processes for evaluating senior executive performance, and disclose any performance evaluation undertaken.	Yes	
<b>Principle 2 – Structure the Board to add value</b>		
Recommendation 2.1 - The board should establish a nomination committee of at least three non-executive directors (the majority being independent), chaired by an independent director, not being the chairman, and disclose the committee charter, qualifications and experience of the committee members and the frequency and attendees of the committee’s meetings. If not, companies should disclose its processes that ensure board succession, skills, knowledge, experience, independence and diversity.	No	Yes
Recommendation 2.2 - Companies should have and disclose a board skills matrix setting out the mix of skills and diversity available to the Board.	Yes	
Recommendation 2.3 - Companies should disclose their independent directors, any interest, position or association that the Board considers does not compromise independence, and why, and the length of each director’s service.	Yes	
Recommendation 2.4 - A majority of the Board should be independent directors.	No	Yes
Recommendation 2.5 - Companies should have an independent director as chairman who should not also hold the position of CEO.	No	Yes
Recommendation 2.6 - Companies should have an induction program for new directors and provide professional development opportunities for directors.	Yes	
<b>Principle 3 – Act ethically and responsibly</b>		
Recommendation 3.1 - Companies should establish a code of conduct and disclose the code or a summary of the code.	Yes	
<b>Principle 4 – Safeguard integrity in corporate reporting</b>		
Recommendation 4.1 - The board should establish an audit committee of at least three non-executive directors (the majority being independent), chaired by an independent director, not being the chairman, and disclose the committee charter, qualifications and experience of the committee members and the frequency and attendees of the committee’s meetings.	No	Yes



Recommendation 4.2 - Companies should prior to approval of financial statements receive from the CEO and CFO a declaration that financial records have been properly maintained, the financial statements comply with the accounting standards, give a true and fair view of the financial position based on sound risk management, and that internal controls are operating effectively.	Yes	
Recommendation 4.3 - Companies should ensure that their external auditor attends the AGM and is available to answer questions relevant to the audit.	Yes	
<b>Principle 5 – Make timely and balanced disclosure</b>		
Recommendation 5.1 - Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes	
<b>Principle 6 – Respect the rights of shareholders</b>		
Recommendation 6.1 - Companies should provide information about themselves and their governance on their website.	Yes	
Recommendation 6.2 - Companies should design and implement an investor relations program to facilitate communication.	Yes	
Recommendation 6.3 – Companies should disclose their policies and processes to facilitate and encourage participation at shareholder meetings.	Yes	
Recommendation 6.4 – Companies should give shareholders the option to receive and send messages to the Company and its share registry electronically.	Yes	
<b>Principle 7 – Recognise and manage risk</b>		
Recommendation 7.1 - The board should establish a committee to oversee risk of at least three directors, the majority being independent, chaired by an independent director, and disclose the committee charter, committee members, and the frequency and attendees of the committee's meetings.	No	Yes
Recommendation 7.2 - The board or a board committee should review the company's risk management framework annually as to soundness and disclose in relation to each reporting period whether the review has taken place.	Yes	
Recommendation 7.3 - Companies should disclose if they have an internal audit function how the function is structured and what role it performs, and if it does not have an internal audit function, disclose that fact and the processes employed for evaluating and continually improving its risk management and internal control processes.	Yes	
Recommendation 7.4 - Companies should disclose if they have any material exposure to economic, environmental and social sustainability risks and if so how they manage those risks.	Yes	
<b>Principle 8 – Remunerate fairly and responsibly</b>		
Recommendation 8.1 - The board should establish a remuneration committee of at least three directors, the majority being independent, chaired by an independent director, and disclose the committee charter, members of the committee and the frequency and attendees of the committee's meetings. If the company does not have a remuneration committee that fact should be disclosed and the processes employed for setting directors and senior executives remuneration and ensuring that remuneration is appropriate and not excessive.	No	Yes
Recommendation 8.2 – Companies should separately disclose their policies and practices for remuneration of non-executive and executive directors and senior executives.	Yes	
Recommendation 8.3 - Companies which have equity based remuneration schemes should have a policy on whether participants are permitted to enter transactions (such as derivatives or otherwise) which limit the economic risk of scheme participation, and disclose the policy or a summary.	N.A.	

Corporate Governance Documents including the Corporate Governance Statement, Annual Report, Board Charter, Audit Committee Charter, and Remuneration and Nomination Committee Charter, Risk Management Policy, Communications Policy, Diversity Policy, Code of Conduct Policy and Ethics Policy are available and can be found at [http://www.dgogold.com.au/investorcentre\\_corporategovernance.html/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html/investorcentre_corporategovernance.html)

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

### Role of the Board

The Board Charter clearly defines the respective roles and responsibilities of the Board and establishes functions that are reserved to the Board and functions delegated to senior executives. The responsibilities for the operation and administration of the Company have been delegated by the Board to the Chairman and the executive management team. A copy of the Board Charter is publicly available on the Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html/investorcentre_corporategovernance.html)

### Responsibility of the Board

The Board has a number of responsibilities including input into the development of the Company's corporate strategy, understanding and monitoring the budget and identifying areas of material business risk and ensuring arrangements are in place to adequately manage those risks. The Company has established functions reserved to the Board and matters delegated to senior executives which are outlined in the Board Charter which is publicly available on the Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html/investorcentre_corporategovernance.html)

Even though the Board is responsible for guiding and monitoring the Group, the Audit Committee, and Remuneration and Nomination Committee provides focus on particular areas of responsibility and reports to the Board. Overall risk management roles and responsibilities have been identified in the Risk Management Policy which is publicly available on the Company's website. The Company Secretary shall be accountable directly to the board, through the chairman, on all matters to do with the proper functioning of the board.

### New Directors and Senior Executive

The Company undertakes the necessary background checks before appointing a person or before putting forward to shareholder a candidate for election as a director. Shareholders are provided with material information with the relevant Notice of General Meeting, on the Company's website and within the relevant Company's Annual Report providing all material information in the Company's possession relevant to the decision on whether or not to select or re-elect a director.

### Appointment of directors and senior executives

Each director and senior executive will be provided with a formal letter of appointment that sets out the terms and conditions of their appointment, any special duties attaching to their position, details of their duties, functions and responsibilities, company policies on dealing with conflicts of interest, trading securities, access to professional advice and relevant company records. The Company Secretary provides directors and senior executives training on corporate governance issues.

Each Director and senior executive shall have a written agreement setting out their terms of appointment. The directors and senior executives are required to adhere to the Code of Conduct Policy and Ethics Policy which has been made publicly available on the Company's web site. All existing directors have entered into a director's disclosure deed with the Company that requires directors to provide the Company with the information required to be disclosed in relation to the trading of securities.

### Independent Professional Advice and Access to Company Information

There are procedures in place for directors to seek independent professional advice at the expense of the Company. Individual directors have the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings to fulfill their duties and responsibilities as directors. The engagement of an outside adviser by individual director is subject to the prior approval of the Board, which will not be unreasonably withheld.

### Re-election by Shareholders

The directors are subject to re-election by shareholders. All directors, apart from the Executive Chairman, are subject to re-election by rotation within every two years. The Company's Constitution provides that one-third of the directors retire by rotation each Annual General Meeting (AGM). Those directors who are retiring may submit themselves for re-election by shareholders, including any director appointed to fill a casual vacancy or recruited since the date of the last AGM.

### Diversity Policy

The Company had adopted a Diversity Policy and is committed to developing diversity in its workplace to assist the Company to meet its goals and objectives by providing an environment whereby appointments, advancement and opportunities are considered on a fair and equitable basis. The Company is committed to promoting a corporate culture which embraces diversity when determining the composition of the Board, senior management and employees and considered during its recruitment and selection process.

Due to the current size and scale of operations of the Company the Board has determined that it is not relevant at this point in time to disclose the measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress to achieving them. The Board is committed to gender equality and plans to improve on the overall company-wide rate as soon as the company is of the size and nature allowing this to happen. The Company is unable at this stage to comply with the recommendation to assess the measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.

The Company will ensure that recruitment and selection decisions are based on the principle of merit, skills and qualifications and regardless of age, gender, nationality, cultural background or any other factor not relevant to the position. Past skills and experience in the mining and exploration industries will be a key determinant in the selection process. The Diversity Policy is publicly available in the Corporate Governance section of Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html/investorcentre_corporategovernance.html)

The percentage of women in the whole organisation as a whole organisation, senior management, and the Board are as follows:-

Whole organisation 25%  
Senior Management Nil  
Board Nil

#### Performance Criteria

The Remuneration and Nomination Committee has been established to review the performance of the Board, Directors committees and senior management against a formalised set of qualitative performance criteria. The last extensive formal appraisal occurred during 2014 and is planned for in the 2016 financial year as the Company has recently changed its strategic direction. The Remuneration and Nomination Committee reports its findings from the performance evaluation to the Board. The performance criteria for evaluating senior management are aligned with objectives of the Company.

The Remuneration and Nomination Committee conducts performance evaluations of the Executive Chairman, Non-Executive Directors and the Company Secretary against the formalised performance criteria. Each year the performance of the Directors and Senior Executives are reported in the Remuneration Report section contained in the Directors' Report in the Company's Annual Report. The performance evaluation of senior executives was undertaken during the financial year.

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

##### Remuneration and Nomination Committee

The Company has formed a combined Remuneration and Nomination Committee to assess the skills, performance and remuneration of existing directors, Board performance. There is a set criteria for the appointment and removal of directors.

The Remuneration and Nomination Committee is chaired by Mr. Ross Hutton and consists of two other members being Mr. E Eshuys and Mr. M. J. Ilett who was appointed on 20 July 2015. Mr. B. K. Mutton was a member until 20 July 2015. The Remuneration and Nomination Committee does not consist of a majority of independent director and is not chaired by an independent director due to the current size, nature and complexity of the Company's operations and the fact that the Board only consists of three directors. The number of times the Remuneration and Nomination Committee met throughout the period and the individual attendances of the members at those meetings are disclosed in the Directors Report contained in the Company's Annual Report.

##### Succession Issues

The Board must ensure that any candidate applying to be a Director has the appropriate range of skills, expertise and experience that will complement the Board. The Company recognises the importance of Non-Executive Directors to add value to the Board. Any director's appointment will require the Board to consider a mix of skills including diversity, leadership, technical expertise, corporate and governance experience, interpersonal communication, management skills, exploration and mining experience, reputation, qualifications, specific requirements of the Company at the time and the additional skills that can be added by the individual to the Board. The appointment procedures are outlined in the Diversity Policy and Remuneration and Nomination Committee Charter which are publicly available on the Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html).

The Company has developed a formal board evaluation, committee and director's performance evaluation process. The performance evaluation of the Board, its committees and directors takes place in accordance with this process. During the performance evaluation process the Board completes an extensive board evaluation questionnaire and provides feedback on individual director and Board performance. The results of the evaluations are provided to the Remuneration and Nomination Committee and the Board for consideration.

The Board must ensure that any candidate applying to be a Director has the appropriate range of skills, expertise and experience that will complement the Board. The Company recognises the importance of Non-Executive Directors to add value to the Board. Any director's appointment will require the Board to consider a mix of skills including diversity, leadership, technical expertise, corporate and governance experience, interpersonal communication, management skills, exploration and mining experience, reputation, qualifications, specific requirements of the Company at the time and the additional skills that can be added by the individual to the Board. The appointment procedures are outlined in the Diversity Policy and Remuneration and Nomination Committee Charter which are publicly available on the Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html).

The Remuneration and Nomination Committee provides for the evaluation of its own performance from time to time. The Charter provides details of the process for determining the composition of the Board, re-election of existing directors and the appointment of new candidates for directors.

Any Director of the Company is entitled to access independent legal, financial or other advice as they consider necessary at the reasonable expense of the Company or any matter connected with the discharge of responsibilities. Where appropriate a copy of this advice is to be made available to all other members of the Board.

#### Skills of the Board

The names and particulars of each of the directors including their skills, experience and expertise relevant to the position of director the term of office held by each Director are set out in the Directors' Report section of the Company's Annual Report.

Outlined below is the board's skill matrix setting out the mix of skills and diversity of the members of the Board at the time of this report:-

Experience Skills and Attributes	Directors		
	E. Eshuys	R. C. Hutton	M. J. Ilett
<b>Professional and Tertiary Qualifications:</b>			
Geology	✓		
Engineering		✓	
Commerce and Business			✓
Law			
Financial/Accounting and Governance			✓
Member of professional body in field of expertise	✓	✓	✓
<b>Gender:</b>			
Male	✓	✓	✓
Female			
<b>Industry experience:</b>			
Resource industry (resources, mining, exploration)	✓	✓	
Risk management and compliance	✓	✓	✓
Corporate governance			✓
Capital raising	✓		✓
Financial acumen			✓
Safety, environment and community relations	✓	✓	
Strategy	✓	✓	✓
Leadership	✓	✓	✓

#### Independence

The directors are considered to be independent when they are independent of management and free from any business or relationship that could interfere with or reasonably interfere with their independent judgement.

In the context of director independence, "Materiality" is considered from both the consolidated entity and individual director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed immaterial if it is equal to or less than 5% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 5% of the appropriate base amount. Qualitative factors considered in determining "Materiality" include previous employment by the Company, shares held in the Company and any previous contractual and other relationships that the director has held with the Company.

In accordance with the concept of independence outlined above, the Board has considered the independence of directors as follows:

Name of Director	Position	Independent/Non Independent	Date of Appointment
Mr. E. Eshuys	Chairman	Not independent as employed in executive capacity by the Company.	15 July 2010
Mr. R. C. Hutton	Non-executive director	Not independent as is a substantial shareholder of the Company.	5 April 2007
Mr. M. J. Ilett	Director	Not independent as contracted in an executive capacity.	20 July 2015

It is noted that Mr. B. K. Mutton was a non-executive director up until 20 June 2015. The term of office held by each Director at the date of this Annual Report is set out in the Directors' Report section of the Annual Report as well as directors' attendance at Board Meetings.

The Company does not have any independent directors. The Board consists of two executive directors and one non-executive director. The Board does not believe that it is warranted to have a majority of independent directors due to the Company's size and its current focus on the application for tenements, exploration and development of tenements.

Mr. E. Eshuys, as the Executive Chairman, is not considered to be an independent director as he acts in the role as the Chief Executive Officer. The Board believes that Mr. E. Eshuys is the most appropriate person to lead the Board and recognises his current and past leadership and exploration experience. Due to the size of the Company, its operations and the focus on the development of its mining and exploration tenements, the Board does not believe that it is warranted for the Chairman to be an independent director and the roles of the Chairman and Chief Executive Officer to be exercised by two different individuals.

#### Board and Committee Evaluation

The Company has developed a formal board evaluation, committee and director's performance evaluation process. The performance evaluation of the Board, its committees and directors takes place in accordance with this process. During the performance evaluation process the Board completes an extensive board evaluation questionnaire and provides feedback on individual director and Board performance. The results of the evaluations are provided to the Remuneration and Nomination Committee and the Board for consideration.

The Remuneration and Nomination Committee provides for the evaluation of its own performance from time to time. The Charter provides details of the process for determining the composition of the Board, re-election of existing directors and the appointment of new candidates for directors.

#### Induction and Professional Development

New directors will undergo an induction process in which they will be given a full briefing on the Company and its operations. The directors are provided with appropriate professional development to allow them to maintain the skills and knowledge necessary to perform their function.

Any Director of the Company is entitled to access independent legal, financial or other advice as they consider

### **Principle 3 – Act ethically and responsible**

#### Code of Conduct Policy and Ethics Policy

The Company endeavours to foster a culture requiring that the directors and officers act with the utmost integrity, objectivity and in compliance with the spirit of the law and Company policies.

The Code of Conduct Policy and Ethics Policy provides practices necessary to maintain confidence in the Company's integrity practices necessary to take into account legal obligations and reasonable expectations of stakeholders and outlines the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Code of Conduct and Ethics Policy also outlines the policy concerning trading in its securities by directors, senior executives and other employees. The Company has taken reasonable steps to ensure compliance with the share trading policy. Directors, officers, senior executives and certain employees are required to advise the Chairman of their intentions prior to undertaking any transaction in the Company's securities. If a Director, officer, senior executive and employee is considered to hold material non-public information, they will be precluded from making a security transaction until that information has become publicly available. The trading policy also precludes Directors and Senior Management from trading in the Company's securities during the period from when the books are closed until the next day after the release of the financial results.

Details of the policy concerning the trading of securities, terms of code of conduct and ethics can be found in the Code of Conduct Policy and Ethics Policy which is publicly available in the Corporate Governance section of Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html).

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

#### Audit Committee

The Company has established an Audit Committee which operates under a Charter approved by the Board. The Audit Committee comprises of only one non-executive director being Mr. R. C. Hutton (Chairman of the Audit Committee) and one executive Director Mr. M. J. Ilett who was appointed on 20 July 2015. Mr. B. K. Mutton a former non-executive director resigned from the audit committee on 20 July 2015. Mr. B. K. Mutton was not considered to be an independent director.

Mr. R. C. Hutton and Mr. M. J. Ilett are not considered to be independent. Details of the qualifications of those appointed to the Audit Committee, their attendance at Audit Committee meetings and the number of meetings of the Audit Committee are contained in the Directors' Report.

The membership of the audit committee is a departure from Best Practice Recommendation 4.1 that requires that the Audit Committee consist of three members, all of whom are non-executive directors and a majority of whom are independent directors and be chaired by an independent director who is not the chair of the Board. Due to the size, nature and level of complexity of the Company, the Board does not believe that it is necessary to have a majority of independent directors and only non-executive directors on the Audit Committee, that the chairman of the Audit Committee being an independent director and that the Audit Committee should consist of at least three members.

The Audit Committee through its own investigations and in consultation with its external auditors ensures that the Company has met the ASX guidelines regarding the selection, appointment of the external auditor and the rotation of external audit engagement partners. Details of the procedures for the engagement of the external auditor can be found

in the Code of Conduct Policy and Ethics Policy. The Audit Committee Charter is publicly available on the Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html).

#### Attestations by Chief Financial Officer and Executive Chairman

The Board should not sign off on the Company's financial statement for a financial period until it has received from its Executive Chairman and Chief Financial Officer 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.

#### Auditors' attendance at the Annual General Meeting

The external auditors are required to attend the Annual General Meeting to answer questions from its members relevant to the audit.

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

The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities is undertaken in an efficient, competitive and informed market. There are written policies and procedures in place to ensure compliance with ASX listing rule disclosure requirements and accountability at a senior executive level for that compliance. The directors and senior management are made aware of their disclosure requirements and obligations. Details of the continuous disclosure policy can be found in the Code of Conduct Policy and Ethics Policy which is publicly available on the Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html).

### **Principle 6 – Respect the rights of shareholders**

The Company has designed a Communications Policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings of shareholders.

#### Investor Relations Program

The Company is in the process of updating its investor relations program designed to facilitate effective two-way communications with investors. The Company is currently updating its website to include the following information as part of the Company's new strategic directors to find sediment hosted gold deposits in Australia:-

- Details of the management team;
- Presentation on new strategic direction and sediment hosted gold deposits;
- Provide resource and geological reviews;
- Historical financial data;
- Corporate governance information;
- Latest ASX releases and
- Provide presentations at shareholder meetings

#### Shareholder Communications Policy

The Company believes that the promotion of effective communication with its shareholders at all times is integral to ensuring the Company respects the rights of its shareholders.

DGO Gold Limited is committed to:-

- Communicating effectively with its shareholders and ensuring that it is easy for shareholders to communicate with the Company;
- Complying with its continuous disclosure obligations applicable to the ASX listing rules and other regulators;
- Ensuring that the shareholders and other stakeholders are provided with timely and full information about the Company's activities.

To promote effective communications with shareholders and to encourage participation by shareholders the Company ensures that information is communicated to its shareholders through:-

- An email based communications system;
- Posting information on the web site at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html)
- The distribution of Notice of Meetings and other information directly to shareholders through letters and other forms of communications;
- Ensuring that auditors are invited to the Annual General Meeting to consider questions regarding the conduct of the audit and the preparation and content of the auditor report;
- Make presentations from time to time at shareholder meetings;
- Provide a review of operations in the Directors' Report
- Allowing shareholders the opportunity at meetings to discuss resolutions; and
- Ensuring timely release of information to the market through the ASX.

The shareholder communication policy is designed to ensure equal and timely access to information for shareholders.

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

### Risk

The Board has not established a separate committee to oversee risk due to the size, nature, and complexity of the Company.

The Company has established policies for the oversight of material business risks and believes that risk management and recognition is integral to the Company meeting its objectives. The Board is responsible for reviewing the Company's policy on risk management and risk oversight. The Audit Committee also separately assesses management of the Company's risks and makes recommendations to the Board. Given that there are only three directors and the due to the size nature and complexity of the Company, neither the Board nor the Audit Committee has three board members, a majority of whom being independent and an independent chair to oversee risk. However, the Board Charter contains details pertaining to risk management. The attendance and the number of Board and Audit Committee Meetings held during the year are detailed in the Directors' Report section of the Annual Report.

The Company has designed and implemented a risk management and internal control system to manage the Company's material business risks and report to it on whether the risks are being effectively managed. The Company has reviewed its risk management procedures. The Company continues to review its existing risk management procedures, the material business risks affecting the Company and where necessary delegated further responsibilities for those material business risks to senior staff members. The risk management system has been designed to effectively manage and report on the consolidated entity's material business risks.

The Company has developed risk management procedures including revised Risk Management Policy, Risk Register, Risk Tolerance Review and a Risk Management Framework which forms the basis of the Company's risk management and internal control system. The Audit Committee considers internal control issues during its discussions with auditors and reviews relating to financial statements.

The Risk Register has identified risk in the broad categories of operations management, asset management, environment, compliance/financial reporting, strategic management, ethical conduct, reputation, occupational health and safety/human resources, IT/technology, finance/business continuity, tenements/resource statements and stakeholder communications. The Company's material business risks have been identified. A copy of the Risk Management Policy is publicly available on the Company's web site at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html). The risk register is updated by the Board from time to time.

The Company has a number of mechanisms in place to ensure that the Board considers matters relating to risks and the Board considers and manages its material business risks throughout the year. The Board reviews the Company's risk management framework annually to ensure that it is sound and during the 2015 financial year a review has taken place.

### Internal Management Controls

The executive chairman under the supervision of the Board exercises control over all aspects of the Company's activities including the internal controls. The Chairman is responsible for all the technical activities of the Company including all exploration and mining programs and projects, acquisitions of new projects disposal of projects and the administrative activities of the company. The Board also monitors the performance of outside consultants engaged from time to time to complete specific projects and tasks.

The Company is in the business of acquiring and developing mineral tenements and is exposed to the same number of risks commonly associated with exploration companies. Currently the Company is applying for exploration tenements in sediment hosted gold deposits. The Board has identified three material economic risks facing the Company and no environmental, social sustainability risks as outlined below:-

#### **1. Tenement Title Risk**

The Company has made applications for tenements in sediment hosted gold deposits (SHGD) based on targets identified by CODES at the University of Tasmania. There is a risk that the title to the tenements may not be granted or that the title may be subject to unregistered prior agreements or affected by undetected defects. The company has engaged experience tenement consultants to mitigate this risk.

#### **2. Exploration and evaluation risk**

Once the tenements are granted there is a risk that the Company is unable to find economically viable resources or reserves. The ability of the Company to make an economic return on its tenements is dependent upon many factors including the Company's ability to develop resources and reserves, ability to finance fund exploration costs, adherence to regulatory, statutory, environmental and indigenous heritage obligations and ability to obtain a return on the disposal or development of the tenements. The Company is relying on the judgement and experience of its Board and consultants to mitigate the exploration and environmental risks.

#### **3. External environmental risks**

There are many external environmental risks beyond the control of the Company that may affect the ability of the Company to develop its tenements. These factors include commodity prices, the ability to attract project partners and competent personal as well as changes to government and environmental requirements. These external environmental risks may affect the timing and amount of future funding that the Company can attract to support its exploration activities. As these risks are largely beyond the control of the Company they are difficult to mitigate.

## **Principle 8 – Remunerate fairly and responsibly To be updated**

The Company has established a combined Remuneration and Nomination Committee. This committee considers the procedures, policies and key performance indicators used to measure the performance of key executives and directors. Any equity based executive remuneration may be made in accordance with thresholds approved by shareholders and be developed over time. The Remuneration and Nomination Committee makes recommendations to the Board on performance and remuneration who is ultimately responsible for reviewing compensation agreements for the directors and the executive management.

Full discussion of the Company's remunerations philosophy and framework and remuneration received by directors and executives and structure in the current financial year is contained in the Remuneration Report section of the Directors' Report. The directors' fees reflect the demands that are made on and the responsibilities of the Non-Executive Directors and are reviewed annually. There is no scheme to provide retirement benefits to non-executive directors, except for their entitlement to the nine (9) percent Superannuation Guarantee. Each member of the executive team has signed a formal employment contract at the time of their appointment covering matters including the rights, responsibilities and entitlements on termination. The Remuneration and Nomination Committee considers companies of similar size and nature when it reviews the salaries paid to directors, non-executive directors and senior executives.

Further details of the structure of the remuneration procedures can be found in the Remuneration and Nomination Committee Charter. Further details regarding the remuneration of directors, non-executive directors and senior executives can be found in the Remuneration Report found in the Annual Report.

Due to size, nature and complexity of the Company the Remuneration and Nomination Committee does not consist of a majority of independent directors, has three members including the Chairman of the Company and is chaired by a non-executive director who is not an independent director. The Chairman of the Board is not the chairman of the Remuneration and Nomination Committee.

The Company does not have an equity-based remuneration scheme.

The members of the Remuneration and Nomination Committee are Mr. R. C. Hutton, Mr. M. J. Ilett (appointed 20 July 2015) and Mr. E. Eshuys. Mr. B. K. Mutton was a member of the Remuneration and Nomination Committee up until 20 July 2015.

Details of the qualifications of the members of the Remuneration and Nomination Committee, number of meetings held during the year and the attendees at those meetings are found in the Directors' Report. A copy of the Remuneration and Nomination Committee Charter can be found in the corporate governance section at the Company's website at [www.dgogold.com.au/investorcentre\\_corporategovernance.html](http://www.dgogold.com.au/investorcentre_corporategovernance.html).