

CORPORATE GOVERNANCE – ECONOMIC, ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

As part of its obligations with respect to the *ASX Corporate Governance Council Guidelines*, the Company is considering its economic, environmental and social sustainability risks and how it manages/intends to manage these risks.

Economic sustainability risk

The economic sustainability risk relates primarily to the ongoing funding of the Company. The Board acknowledges that at this stage of the Company's development, without ongoing funding the Company would not be in existence. The Company manages its funding requirements through cashflow forecasts and ongoing equity-raising initiatives. This relates primarily to the going concern of the Company, which is detailed in the Annual Report – Notes to the Financial Statements. The Board considers that the Company has adequately addressed the economic sustainability risk and therefore deems it not a material risk to the Company.

Environmental sustainability risk

The environmental sustainability risk relates primarily to the rehabilitation of the potential mine site. The Board acknowledges that at this stage of the Company's development, there is no requirement for a rehabilitation provision, nor a requirement for an environmental bond of any kind, as the Company is working towards its feasibility studies and so is still in its infancy in this regard. However, constant monitoring is in place, to comply with regulations by the tenement manager. The Board considers the Company has adequately addressed the environmental sustainability risk and therefore deems it not a material risk to the Company.

Social sustainability risk

The social sustainability risk relates primarily to countries in which the Company operates and the part it plays in corporate social responsibility, including the employment and welfare of local communities (see also 'Community involvement' under 'About us' section on this site). The Board acknowledges that, while the Company is currently looking to develop its resources in Australia and Madagascar, heritage aspects and consultation with affected parties are given high priority for all operations. The Board considers the Company has adequately addressed the social sustainability risk and therefore deems it not a material risk to the Company.
