



Cobalt Blue Holdings Limited ABN 90 614 466 607

Address: Level 2, 66 Hunter Street, Sydney, NSW 2000

Website: www.cobaltblueholdings.com

Facebook: www.facebook.com/Cobalt.Blue.Energy/

LinkedIn: www.linkedin.com/company/cobalt-blue-holdings

25 September 2017

ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Cobalt Blue Holdings Limited (ASX: COB) Appendix 4G and 2017 Corporate Governance Statement

Please find attached the Appendix 4G and 2017 Corporate Governance Statement in accordance with ASX Listing Rules 4.7.3, 4.7.4 and 4.10.3.

Yours sincerely

A handwritten signature in blue ink that reads 'Ian Morgan'.

Ian Morgan
Company Secretary
Cobalt Blue Holdings Limited

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

Name of entity

Cobalt Blue Holdings Limited

ABN / ARBN

90 614 466 607

Financial year ended:

30 June 2017

Our corporate governance statement² for the above period above can be found at:³

- These pages of our annual report:
- This URL on our website: <http://www.cobaltblueholdings.com>

The Corporate Governance Statement is accurate and up to date as at 22 September 2017 and has been approved by the board.

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

Date: 22 September 2017

Name of Director or Secretary authorising lodgement: Ian Morgan

¹ 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.

² "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.

³ 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. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

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 NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... 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): <input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
1.5	<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 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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com</p> <p>... and 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 checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.6	<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>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<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>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
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; 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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... 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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<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>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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.	... the names of the directors considered by the board to be independent directors: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <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.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
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.	... our code of conduct or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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> <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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... 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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<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>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
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>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	<p>... our continuous disclosure compliance policy or a summary of it:</p> <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>... information about us and our governance on our website:</p> <input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>... our policies and processes for facilitating and encouraging participation at meetings of security holders:</p> <input type="checkbox"/> in our Corporate Governance Statement OR <input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <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
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.	<p>... the fact that we follow this recommendation:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of 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; or</p> <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>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... 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:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<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>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
<p>7.3 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>	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>[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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>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.</p>	<p>... 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:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>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; 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>	<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 checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at http://www.cobaltblueholdings.com</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</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 type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<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>	<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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</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 checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES		
<p>- <i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> 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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>- <i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> 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 OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Statement

Cobalt Blue Holdings Limited ACN 614 466 607 (Company)

The Board of the Company is committed to principles of best practice in corporate governance and is responsible for ensuring the existence of an effective corporate governance environment to safeguard the interests of the Company, its Shareholders and other stakeholders.

This statement sets out the Company's current compliance with the third edition of the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 2014 (Principles or Recommendations)*. The Principles are not prescriptive regarding the conduct of ASX listed companies. Rather, an ASX listed company is required to disclose the reasons why it is not complying fully with its obligations under the Principles. To the extent that they are relevant to the organisation, the Company has adopted the Principles.

Following admission to the Official List of the ASX, the Company will report any departures from the Principles in its annual report.

The Board considers that the Company generally complies with the Principles and, where the Company does not comply, this is primarily due to the current relative size of the Company and scale of its current operations. Comments on compliance and departures are set out below.

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
Principle 1- Lay solid foundations for management and oversight		
<p>Recommendation 1.1: 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</p>	Compliant	<p>The Board's responsibilities are contained in the Company's Board Charter. The Board Charter also sets out the responsibilities of the CEO. The functions of the Board, Chairman and CEO are also specifically set out in the Board Charter. The Board Charter also explains the relationship between the Board and management.</p> <p>The Board has appointed committees to oversee certain</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
board and those delegated to management.		<p>functions, including the Audit and Risk Committee and the Nomination and Remuneration Committee.</p> <p>A copy of the Board Charter is available on the Company's website at http://www.cobaltblueholdings.com.</p>
<p>Recommendation 1.2: 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>	Compliant	<p>The Board undertakes appropriate checks before appointing a Director or putting forward to Shareholders a candidate for election as a Director.</p> <p>All material information in relation to potential Directors will be provided to Shareholders as the need arises, including in the form of disclosures contained in an explanatory memorandum to a notice of meeting, seeking the approval of Shareholders for the election or re-election of Directors.</p>
<p>Recommendation 1.3: A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Compliant	<p>The Company has entered into non-executive Director appointment letters with each of Robert Biancardi, Hugh Keller, Anthony Johnston and Matthew Hill which sets out the terms of their appointments as Directors.</p> <p>The Company has entered into an executive services agreement with Josef Kaderavek in respect of his appointment as CEO and Executive Director respectively.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 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>	Compliant	<p>The Company Secretary, Ian Morgan, is directly accountable to the Board in relation to matters of governance. His role includes advising the Board and its committees on governance matters, monitoring that policy and procedures are followed, coordinating the timely completion and despatch of Board papers and ensuring that the business at meetings is accurately captured in the minutes.</p> <p>The Company Secretary is accessible to all Directors. The Board is responsible for the appointment and removal of the Company Secretary. The Company has entered into a services agreement with Ian Morgan in respect of his appointment as Company Secretary.</p>
<p>Recommendation 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</p>	Compliant	<p>The Board has established a Diversity Policy.</p> <p>The Company has a strong commitment to diversity in business which is evidenced through its Diversity Policy.</p> <p>A copy of the Diversity Policy is available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>To the reporting period ended 30 June 2017, the Company has set no measurable objectives for achieving gender diversity.</p> <p>The Company has no women on its Board.</p> <p>The Company's Chief Financial Officer, who reports to the Chief Executive Officer and Executive Director, is a</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>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>(i) 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>(ii) 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>woman.</p> <p>The Company is not a "relevant employer" under the Workplace Gender Equality Act 2012 (Cth).</p>
<p>Recommendation 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</p>	Compliant	<p>The Board has appointed the Nomination and Remuneration Committee to oversee the process of appointment and remuneration of the Non-executive Directors and Managing Director.</p> <p>The Board has adopted the Nomination and Remuneration Committee Charter which specifies the authority of the Nomination and Remuneration Committee and sets out its role and responsibilities.</p> <p>A copy of the Nomination and Remuneration Committee</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
accordance with that process.		<p>Charter is available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>A performance evaluation was not undertaken during the period ended 30 June 2017.</p>
<p>Recommendation 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>	Compliant	<p>The Board has appointed the Nomination and Remuneration Committee to oversee the process of appointment and remuneration of the Company Secretary, CFO and other senior executives and employees of the Company.</p> <p>The Board has adopted the Nomination and Remuneration Committee Charter which specifies the authority of the Nomination and Remuneration Committee and sets out its role and responsibilities.</p> <p>A copy of the Nomination and Remuneration Committee Charter is available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>A performance evaluation was not undertaken during the period ended 30 June 2017.</p>
Principle 2 – Structure the board to add value		
<p>Recommendation 2.1: The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p>	Compliant	<p>The Board has appointed the Nomination and Remuneration Committee to oversee the process of appointment and remuneration of the Directors and Company Secretary, CFO and other senior executives and employees of the Company.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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>		<p>The Nomination and Remuneration Committee comprises three members, being Robert Biancardi, Hugh Keller and Anthony Johnston, the majority of whom are independent directors.</p> <p>The Nomination and Remuneration Committee is chaired by Hugh Keller, who is an independent Director.</p> <p>The Board has adopted the Nomination and Remuneration Committee Charter which specifies the authority of the Nomination and Remuneration Committee and sets out its role and responsibilities.</p> <p>A copy of the Nomination and Remuneration Committee Charter is available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>The Company's 2017 Annual Report discloses, for the period ended 30 June 2017:</p> <p>(a) The number of times the committee met throughout the period; and</p> <p>(b) Attendances of the members at those meetings.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 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>	Compliant	<p>The Company's Board skills matrix is set out in the Company's 2017 Annual Report.</p> <p>The Board has established a Diversity Policy.</p> <p>The Company has a strong commitment to diversity in business which is evidenced through its Diversity Policy.</p> <p>A copy of the Diversity Policy is available on the Company's website at http://www.cobaltblueholdings.com.</p>
<p>Recommendation 2.3: 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 the Box 2.3 of the Principles 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>	Compliant	<p>The Board considers that the following Directors are independent:</p> <p>(a) Robert Biancardi;</p> <p>(b) Matthew Hill; and</p> <p>(c) Hugh Keller.</p> <p>No Independent Director has an interest, position, association or relationship of the type described in the Box 2.3 of the Principles.</p> <p>The appointment date of each Director is disclosed in the Company's 2017 Annual Report.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
Recommendation 2.4: A majority of the board of a listed entity should be independent directors.	Compliant	The Board comprises one Executive Director and four Non-executive Directors. Three of the Non-executive Directors are considered independent.
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.	Compliant	The Company's Chair is Robert Biancardi. Robert Biancardi is not the CEO and is considered to be independent.
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.	Compliant	<p>The Nomination and Remuneration Committee Charter and Board Charter exist to comply with this recommendation.</p> <p>The Nomination and Remuneration Committee is responsible for the induction program for new directors and the development of a director's education program.</p>
Principle 3 – Act ethically and responsibly		
<p>Recommendation 3.1: A listed entity should:</p> <ul style="list-style-type: none"> (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. 	Compliant	<p>The Board has established and adopted a Code of Conduct.</p> <p>The Code of Conduct sets out the Company's commitment to making positive economic, social and environmental contributions to each of the communities in which it operates, while complying with all applicable laws and regulations and acting in a manner that is consistent with the Company's foundational principles of honesty, integrity, fairness and respect.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
		A copy of the Code of Conduct is available on the Company's website at http://www.cobaltblueholdings.com .
Principle 4 – Safeguard integrity in corporate reporting		
<p>Recommendation 4.1: The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) in relation to each reporting period,</p>	Compliant	<p>The Board has established an Audit and Risk Committee.</p> <p>The Audit and Risk Committee currently comprises Robert Biancardi, Hugh Keller and Anthony Johnston, majority of whom are independent directors.</p> <p>The Audit and Risk Committee is chaired by Hugh Keller, who is an independent Director. Hugh Keller is not the chair of the Board.</p> <p>The Board has adopted an Audit and Risk Committee Charter to assist with ensuring the integrity and reliability of information prepared for use by the Board.</p> <p>A copy of the Audit and Risk Committee Charter is available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>A summary of the:</p> <p>(a) Relevant qualifications and experience of the members of the Audit and Risk Committee; and</p> <p>(b) The frequency of Audit and Risk Committee</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>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 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>meetings and individual attendances are set out in the Company's 2017 Annual Report.</p>
<p>Recommendation 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>Compliant</p>	<p>The Board Charter and Audit and Risk Committee Charter make provision for the CEO and CFO to provide this declaration.</p> <p>Copies of each of the Board Charter and the Audit and Risk Committee Charter are available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>As is required by section 295A of the <i>Corporations Act 2001</i> (Cth), the CEO and CFO make 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.</p> <p>The Company extended the section 295A declaration to</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
		<p>include the declaration that:</p> <p>(a) The opinion has been formed on the basis of a sound system of risk management and internal control, which is operating effectively; and</p> <p>(b) It is in respect of the Company's financial statements for any financial period.</p>
<p>Recommendation 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>	Compliant	The Company will ensure compliance with this Recommendation 4.3 at its AGMs.
<p>Principle 5 – Make timely and balanced disclosure</p>		
<p>Recommendation 5.1: 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>	Compliant	<p>The Company has adopted a Continuous Disclosure and Shareholder Communications Policy. This policy sets out, amongst other matters, the manner in which the Board will ensure compliance with the ASX Listing Rule disclosure requirements.</p> <p>A copy of the Continuous Disclosure and Shareholder Communications Policy is available on the Company's website at http://www.cobaltblueholdings.com.</p>
<p>Principle 6 – Respect the rights of security holders</p>		
<p>Recommendation 6.1: A listed entity should provide</p>	Compliant	<p>A page on the Company's website, http://www.cobaltblueholdings.com, is dedicated to</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
information about itself and its governance to investors via its website.		corporate governance, and includes links to copies of all of the Company's corporate governance policies.
<p>Recommendation 6.2: A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	Compliant	<p>The Company has adopted the Continuous Disclosure and Shareholder Communications Policy which sets out, amongst other things, the manner in which the Company will promote effective communication with Shareholders and encourage their participation at general meetings.</p> <p>A copy of the Continuous Disclosure and Shareholder Communications Policy is available on the Company's website at http://www.cobaltblueholdings.com.</p>
<p>Recommendation 6.3: A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	Compliant	<p>The Company has adopted the Continuous Disclosure and Shareholder Communications Policy which sets out, amongst other things, the manner in which the Company will promote effective communication with Shareholders and encourage their participation at general meetings.</p> <p>A copy of the Continuous Disclosure and Shareholder Communications Policy is available on the Company's website at http://www.cobaltblueholdings.com.</p>
<p>Recommendation 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.</p>	Compliant	<p>The Company does give its Shareholders the opportunity for and to receive communications from the Company and its security registry electronically.</p>
<p>Principle 7 – Recognise and manage risk</p>		

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 7.1: The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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 risk committee or committees that satisfy paragraph (a) above, disclose that fact and the processes</p>	<p>Compliant</p>	<p>The Board has established an Audit and Risk Committee to assist with risk oversight, risk management and internal control.</p> <p>The Audit and Risk Committee currently comprises Robert Biancardi, Hugh Keller, and Anthony Johnston, majority of whom are independent directors.</p> <p>The Audit and Risk Committee is chaired by Hugh Keller, who is an independent Director. Hugh Keller is not the chair of the Board.</p> <p>The Board has adopted the Audit and Risk Committee Charter which sets out the functions of the Audit and Risk Committee.</p> <p>A copy of the Audit and Risk Committee Charter is available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>A summary of the:</p> <p>(a) Relevant qualifications and experience of the members of the Audit and Risk Committee; and</p> <p>(b) The frequency of Audit and Risk Committee meetings and individual attendances</p> <p>are set out in the Company's 2017 Annual Report.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
it employs for overseeing the entity's risk management framework.		
<p>Recommendation 7.2: The board or a committee of the board should:</p> <ul style="list-style-type: none"> (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. 	Compliant	<p>The Audit and Risk Committee is responsible for the review of the Company's risk management program.</p> <p>During the period ended 30 June 2017, the Board managed the Company's material business risks.</p> <p>The Company is required to regularly review procedures, and ensure timely identification of disclosure material and materiality thresholds.</p> <p>Materiality judgments are made on a case-by-case basis, when all the facts are available.</p> <p>When establishing a preliminary assessment of materiality, the Company has regard to:</p> <ul style="list-style-type: none"> (a) the reliability of management information; (b) factors which may indicate deviations from normal activities; and (c) qualitative factors which impact on the materiality of individual misstatements, to assess: <ul style="list-style-type: none"> (i) the significance of the misstatement to the particular entity; (ii) the pervasiveness of the misstatement; and (iii) the effect of misstatement.

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>Recommendation 7.3: 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>	Compliant	The Board has appointed Hugh Keller to evaluate and continually improve the effectiveness of its risk management and internal control processes.
<p>Recommendation 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.</p>	Compliant	The Company has disclosed its risks including environmental and social sustainability risks and how those risks are mitigated in in the Company's 2017 Annual Report.
Principle 8 – Remunerate fairly and responsibly		
<p>Recommendation 8.1: The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent</p>	Compliant	<p>The Board has established a Nomination and Remuneration Committee.</p> <p>The Nomination and Remuneration Committee comprises three members, being Robert Biancardi, Hugh Keller and Anthony Johnston, majority of whom are independent directors.</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
<p>directors; and</p> <p>(ii) is chaired by an independent director,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) 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 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>The Nomination and Remuneration Committee is chaired by Hugh Keller, who is an independent Director.</p> <p>The Board has adopted the Nomination and Remuneration Committee Charter, which sets out the role and the responsibilities of the Nomination and Remuneration Committee in overseeing the process of appointment and remuneration of Non-executive Directors, the Chief Executive Officer and Executive Director, Company Secretary, CFO and other senior executives and employees of the Group.</p> <p>A copy of the Nomination and Remuneration Committee Charter is available on the Company's website at http://www.cobaltblueholdings.com.</p> <p>A summary of the frequency of Nomination and Remuneration Committee meetings and individual attendances are set out in the Company's 2017 Annual Report.</p>
<p>Recommendation 8.2: A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the</p>	<p>Compliant</p>	<p>The Company distinguished the structure of Non-executive Directors' remuneration from that of Executive Directors and senior executives in compliance with</p>

ASX Corporate Governance Principle/Recommendation	Compliance Status	Particulars of compliance & if not why not
remuneration of executive directors and other senior executives.		Recommendation 8.2 in the Company's 2017 Annual Report.
<p>Recommendation 8.3: 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 (and 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>	Not applicable.	The Company does not have an equity-based remuneration scheme.