

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Montezuma Mining Company Ltd

ABN / ARBN:

46 119 711 929

Financial year ended:

30 June 2015

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

- Attached to this Appendix 4G after the Annexure
- This URL on our website: www.montezuma.com.au

The Corporate Governance Statement is accurate and up to date as at 18 September 2015 and has been approved by the board.

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

Date: 30 October 2015

John Ribbons
Company Secretary

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 www.montezuma.com.au	<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.

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>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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 www.montezuma.com.au</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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<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 <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 <u>OR</u></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 <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 <u>OR</u></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 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 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 type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input 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 checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" 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>

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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and, where applicable, the information referred to in paragraph (b): <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <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 <u>OR</u> <input checked="" type="checkbox"/> at www.montezuma.com.au	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

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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 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 www.montezuma.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at the Directors' Report in the 2015 Annual Report</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 checked="" 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>

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 www.montezuma.com.au	<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 www.montezuma.com.au	<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 www.montezuma.com.au	<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

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 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 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 type="checkbox"/> at <i>[insert location]</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input 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 checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" 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 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 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
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 <u>OR</u></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>
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<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 <u>OR</u></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 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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u></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 www.montezuma.com.au</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at the Directors' Report in the 2015 Annual Report</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 <u>OR</u></p> <p><input type="checkbox"/> at <i>[insert location]</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></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 type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at the Directors' Report in the 2015 Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></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 <u>OR</u></p> <p><input checked="" type="checkbox"/> at www.montezuma.com.au</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></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 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></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 <u>OR</u></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></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 <u>OR</u></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>



MONTEZUMA

MINING COMPANY LTD

CORPORATE GOVERNANCE STATEMENT 2015

The Board of Montezuma Mining Corporation Ltd (“Board”) is committed to ensuring that the Company’s obligations and responsibilities to its various stakeholders are fulfilled through its corporate governance practices. The directors of the Company (“Directors”, being either “Non-Executive Directors” or Executive Directors”) undertake to perform their duties with honesty, integrity, care and due diligence, to act in good faith in the best interests of the Company in a manner that reflects the highest standards of corporate governance.

The Company’s Board is committed to a high standard of corporate governance practices, ensuring that the Company complies with the Corporations Act 2001 (Cth), ASX Listing Rules, Company Constitution and other applicable laws and regulations.

Corporate Governance Compliance

The Company has followed the 3rd edition of the ASX Corporate Governance Council’s Principles and Recommendations (“Principles and Recommendations”) where the Board has considered the recommendations to be an appropriate benchmark for its corporate governance practices.

Where, after due consideration, the Company’s corporate governance practices depart from a recommendation, the Board has offered full disclosure and reason for adoption of its own practice, in compliance with the “if not, why not” regime.

This statement was approved by the Board on 17 September 2015.

CORPORATE GOVERNANCE STATEMENT 2015 (CONT'D)

Principle	ASX Recommendation	Conform (Y/N)	Disclosure
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 managements; and b) Those matters expressly reserved to the board and those delegated to management.	Y	The Board Charter details the functions and responsibilities of the Board and management, including matters reserved for the Board. The Board Charter is included in the Corporate Governance and Policies Manual on the Company's website.
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.	Y	The full Board undertakes the duties that fall to the nomination committee under the Company's Nomination Committee Charter, which is included in the Corporate Governance and Policies Manual on the Company's website. The role of the Nomination Committee is to identify and recommend candidates to fill casual vacancies and to determine the appropriateness of director nominees for election to the Board. The Nomination Committee Charter requires the Board to make appropriate background checks prior to recommending a candidate for election or re-election as a director. The Board must identify and recommend candidates only after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after an assessment of how the candidate can contribute to the strategic direction of the Company All material information relevant to whether or not to elect or re-elect a director is provided to the Company's shareholders as part of the Notice of Meeting and explanatory memorandum for the relevant meeting of shareholders which addresses the election or re-election of a director.
1.3	A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	Y	The Remuneration Committee Charter, which is included in the Corporate Governance and Policies Manual on the Company's website, requires the Company to have a written agreement with each Director and senior executive setting out the terms of their engagement. Each Non-Executive Director has signed a letter of appointment. Each Executive Director has signed an executive service agreement.

Principle	ASX Recommendation	Conform (Y/N)	Disclosure
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.	Y	<p>The Company Secretary is accountable to the Board, through the Chairman, on all governance matters and reports directly to the Chairman as the representative of the Board. The Company Secretary has primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively.</p> <p>Details are contained in Clause 4 of the Board Charter which is included in the Corporate Governance and Policies Manual on the Company's website.</p>
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 the policy or summary of it; and</p> <p>c) Disclose 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 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 and published under that Act.</p>	N	<p>The Company has adopted a Diversity Policy which is included in the Corporate Governance and Policies Manual on the Company's website. The Company recognises that a diverse and talented workforce is a competitive advantage and encourages a culture that embraces diversity. The Company does not think that it is appropriate to state measurable objectives for achieving gender diversity due to its size and stage of development.</p> <p>The proportion of women employees in the whole organisation is 50% (excluding directors).</p> <p>There are currently no women in senior executive positions or on the Board.</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>	Y	<p>The Board Charter, which is included in the Corporate Governance and Policies Manual on the Company's website, details the process for evaluating the Board, its Committees and individual Directors. The assessment process which may be used by the Board is that each director completes a questionnaire relating to the role, composition, procedures, practices and behaviour of the Board and its members. An independent third party consultant may be used to facilitate the assessment.</p> <p>A Board performance review was not undertaken in the 2015 financial year.</p>

Principle	ASX Recommendation	Conform (Y/N)	Disclosure
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>Y</p> <p>Y</p>	<p>Employee numbers during the 2015 financial year were limited to less than 5 and at most times during the year were 4 (including the Executive Director). Given the limited employee numbers performance evaluation is a process undertaken informally. Staff matters (including performance) are discussed on a regular basis and at a minimum, annually.</p>
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> <ol style="list-style-type: none"> 1) Has at least three members, a majority of whom are independent directors; and 2) Is chaired by an independent director, <p>And disclose:</p> <ol style="list-style-type: none"> 3) The charter of the committee; 4) The members of the committee; and 5) As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>b) If it does not have a 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>N</p> <p>Y</p>	<p>The Company does not currently have a nomination committee. The Board has decided that no efficiencies will be achieved by establishing a separate nomination committee. The Board carries out the duties that would otherwise be undertaken by the nomination committee, in accordance with the Nomination Committee Charter, which is included in the Corporate Governance and Policies Manual on the Company's website. The Board intends to reconsider the requirement for, and benefits of, a separate nomination committee as the Company's operations grow and evolve.</p> <p>As a matter of practice, potential candidates for the office of Director are assessed to ensure they possess the relevant skills, experience, personal attributes and capability to devote the necessary time and commitment to the role in order to discharge duties both responsibly and effectively.</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>	Y	Refer Appendix A – skills matrix.



Principle	ASX Recommendation	Conform (Y/N)	Disclosure																
2.3	A listed entity should disclose: a) The names of the directors considered by the board to be independent; b) If a director has an interest, position, association or relationship of the type described in Box 2.3 (Factors relevant to addressing the independence of a director) 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.	Y	<p>As at 30 June 2015 the Board consisted of:</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Role</th> <th>Independent</th> <th>Date appointed</th> </tr> </thead> <tbody> <tr> <td>Seamus Cornelius</td> <td>Non-Executive Chairman</td> <td>Yes</td> <td>June 2011</td> </tr> <tr> <td>Justin Brown</td> <td>Executive Director</td> <td>No</td> <td>May 2006</td> </tr> <tr> <td>John Ribbons</td> <td>Non-Executive Director</td> <td>No</td> <td>July 2010</td> </tr> </tbody> </table>	Name	Role	Independent	Date appointed	Seamus Cornelius	Non-Executive Chairman	Yes	June 2011	Justin Brown	Executive Director	No	May 2006	John Ribbons	Non-Executive Director	No	July 2010
Name	Role	Independent	Date appointed																
Seamus Cornelius	Non-Executive Chairman	Yes	June 2011																
Justin Brown	Executive Director	No	May 2006																
John Ribbons	Non-Executive Director	No	July 2010																
2.4	A majority of the board of a listed entity should be independent.	N	<p>There are three Directors on the Board, one of whom (Mr Brown) is an executive and therefore not independent. Mr Ribbons is considered not independent only by virtue of his role as Company Secretary of the Company.</p> <p>Mr Cornelius considers himself to be an independent director as he is not part of the management team and regards himself as being free of any relationship (other than that of shareholder of the Company) that could materially interfere with the independent exercise of his judgement.</p> <p>Given all the circumstances attendant upon the Company (including its objectives, the nature and extent of its actual and proposed operations, its capital base and other resources, the costs associated with a board comprised of more than the current number and the need for a board comprised of persons with a blend and diversity of traits, skills, gender, experience, expertise, entrepreneurialism, innovation, tenacity, vision and dedication in order to enliven the prospects of creating value for shareholders) it is thought by the Board that to appoint further directors (whose perceived independence is beyond doubt) or to procure the departure of one of the existing directors is unnecessary.</p>																
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.	Y	Seamus Cornelius, who was appointed as Chairman in June 2011, is an independent Non-Executive Director. He does not perform the role of CEO of the Company (which position is currently held by Justin Brown).																

Principle	ASX Recommendation	Conform (Y/N)	Disclosure
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.	Y	Induction and professional development form part of the responsibilities of the Nomination Committee as noted in the Nomination Committee Charter, which is included in the Corporate Governance and Policies Manual on the Company's website. Induction documents are provided with a written engagement letter and the Company Secretary is available to assist with the process of new Directors familiarising themselves with the Company. Professional development requirements are addressed as circumstances require.
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.	Y	The Company has formulated a general Code of Conduct and a Code of Conduct for Directors and Executives which all employees and directors are expected, at a minimum, to follow. The Codes are included in the Corporate Governance and Policies Manual on the Company's website.
Principle 4:	Safeguard integrity in financial reporting		
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 throughout the period and the individual attendances of the members at those meetings; or 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.	N N Y Y Y	The Company has established an Audit Committee which is comprised of the full Board. There are two non-executive directors on the Board. Sourcing alternative directors to strictly comply with this Principle is considered expensive with costs out weighing potential benefits. The chair of the committee is Mr Ribbons, a non-independent director who is not chair of the Board. The Audit Committee Charter is included in the Corporate Governance and Policies Manual on the Company's website. The qualifications, experience and attendance of the members of the Audit Committee are disclosed in the Company's Directors' Report (contained in the 2015 Annual Report).



Principle	ASX Recommendation	Conform (Y/N)	Disclosure
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.	Y	Under the Company's Risk Management Policy, which is included in the Corporate Governance and Policies Manual on the Company's website, the Managing Director/CEO and CFO will provide a written declaration of assurance that in their opinion, the financial records of the Company for the relevant reporting period have been properly maintained, comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
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.	Y	The Company takes all reasonable steps to ensure the external auditor is represented at each annual general meeting to answer questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.
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.	Y	The Company has adopted a Continuous Disclosure Policy, which is included in the Corporate Governance and Policies Manual on the Company's website. The Policy is designed to guide compliance with ASX Listing Rules disclosure requirements, and to ensure all Directors, senior executives and employees of the Company understand their responsibilities under the Policy.
Principle 6:	Respect the rights of shareholders		
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Y	The Company has a Shareholder Communication Policy, which is included in the Corporate Governance and Policies Manual on the Company's website. The company website provides a platform to disclose official ASX releases of material information and periodic reports, press releases, notices and presentations as well as a mechanism for shareholders to contact the Company via email.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communications with investors.	Y	Refer 6.1.



Principle	ASX Recommendation	Conform (Y/N)	Disclosure
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.	Y	The Board determines the Company's 'risk profile' and is responsible for overseeing and approving risk management strategy and policies, internal compliance and non-financial internal control. The Board has reviewed the Company's risk profile during the 2015 financial year, and updated its risk assessment matrix. Additionally, this issue is regularly reviewed at Board meetings and risk management culture is encouraged amongst employees and contractors.
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; or b) If it does not have an internal audit function, disclose that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	N	The Company does not have an internal audit function. Under the Company's Risk Management Policy, the responsibility for undertaking and assessing risk management and internal control effectiveness is assumed by the full Board.
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.	Y	The Company does not have any material exposure to these risks. As an exploration company rather than an economic producer there is no material exposure to economic sustainability risk. Whilst not materially exposed to environmental sustainability risk, the Company has an Environmental Policy, which is included in the Corporate Governance and Policies Manual on the Company's website. Whilst not materially exposed to social sustainability risk, the Company has an Environmental Policy, which is included in the Corporate Governance and Policies Manual on the Company's website, to provide for the effective involvement of communities in decisions that affect them.



Principle	ASX Recommendation	Conform (Y/N)	Disclosure
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> <ol style="list-style-type: none"> 1) Has at least three members, a majority of whom are independent directors; and 2) Is chaired by an independent director, <p>And disclose:</p> <ol style="list-style-type: none"> 3) The charter of the committee; 4) The members of the committee; and 5) As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>b) If it does not have a 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>N</p> <p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p>	<p>The Company has established a Remuneration Committee which comprises only non-executive directors (Messers Cornelius and Ribbons). There are two non-executive directors on the Board. Sourcing alternative directors to strictly comply with this Principle is considered expensive with costs out weighing potential benefits. The chair of the committee is Mr Cornelius, an independent director.</p> <p>The Remuneration Committee Charter is included in the Corporate Governance and Policies Manual on the Company's website.</p> <p>The qualifications, experience and attendance of the members of the Remuneration Committee are disclosed in the Company's Directors' Report (contained in the 2015 Annual Report).</p>
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.	Y	Details of the Company's policies and practices regarding the remuneration of Directors and other senior management is set out in the Remuneration Report as disclosed in the Company's Directors' Report (contained in the 2015 Annual Report).
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>	Y	<p>The Company's Securities Trading Policy specifically prevents employees engaging in margin lending or otherwise leveraging securities without the fully informed consent of the board.</p> <p>The Securities Trading Policy is included in the Corporate Governance and Policies Manual on the Company's website.</p> <p>Neither of the Company's Performance Rights Plan or Employees Option Plan specifically contains a policy in relation to participants limiting their exposure to risk in relation to the securities, but the Board actively discourages participants from obtaining mortgages in securities held in the Company through the Securities Trading Policy.</p>

Annexure A

Board Skills Matrix – June 2015

Skill / experience	SC	JB	JR
Commercial	✓	✓	✓
Corporate Governance	✓	✓	✓
Legal	✓		
Investor relations	✓	✓	✓
Capital raising	✓	✓	✓
Corporate strategy	✓	✓	✓
Leadership	✓	✓	✓
Accounting			✓
Business development	✓	✓	✓
Risk management	✓	✓	✓
Mineral exploration	✓	✓	✓
Geographic experience	✓	✓	✓
Mineral project development		✓	

Board Skills Matrix – for corporate governance disclosure – June 2015

Collectively, the Board has an extensive range of commercial skills and other relevant experience which are vital for the effective management of the business. Board members, including some who are also directors of other ASX-listed companies, together have a combination of experience in the following business areas:

- commercial;
- corporate governance;
- regulatory framework;
- legal;
- investor relations;
- capital raising;
- corporate strategy;
- leadership;
- accounting;
- business development;
- risk management;
- mineral exploration;
- geographic experience;
- mineral project development