

CORPORATE GOVERNANCE STATEMENT NIUMINCO GROUP LIMITED ("THE COMPANY")

Introduction

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity and pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent they are applicable, the Company has adopted the *Eight Essential Corporate Governance Principles and Best Practice Recommendations* ("Recommendations") as published by ASX Corporate Governance Council. Where, after due consideration, the Company's corporate governance practices depart from the Recommendations, the Board has offered full disclosure of the nature of, and reason for, the adoption of its own practice.

The Company is considered a 'micro-cap' listing, and accordingly some of the principles and recommendations are unable to be achieved in a cost effective or practical manner, having regard to the resources available. These issues are still considered important in our corporate governance system, and alternate but less formal policies exist to ensure integrity in these areas. The Council recognises that the same efficiencies experienced by larger entities may not be appropriate for smaller companies by adopting certain principles or recommendations.

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance structures will be given further consideration.

Principle 1 – Lay Solid Foundations for Management and Oversight

The Company has adopted and disclosed a Board Charter.

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the financial report and their term of office are detailed in the Directors' Report in the Annual Report. The Company undertakes the appropriate checks before making new appointments to the Board.

The Company has written service agreements or letters of appointment with each Director setting out the terms of their appointment.

The Company Secretary is accountable directly to the Board on all matters to do with the proper functioning of the Board.

The Board is responsible for the strategic direction of the Company, establishing goals for management and monitoring the achievement of these goals, monitoring the overall corporate governance of the Company and ensuring that shareholder value is increased.

The Company has adopted and disclosed a Diversity Policy which expresses our commitment to inclusion at all levels of our organisation, but has not implemented a program for, or reported on, a gender quota.

The Company has disclosed a process for annually evaluating the performance of the board, its committees and individual directors. Following an independent external corporate governance review during the year, the next annual review will be held in the second half of the current financial year.

The Company has not disclosed a policy for evaluating its one senior executive at least once every reporting period as the board does this on a continual monthly basis.

Principle 2 – Structure the Board to be Effective and add Value

The Company does not have a nomination committee. All directors regularly discuss any succession issues, and the current and future balance of skills, knowledge and experience required of the board's directors.

Prof Plimer is considered by the Board to be an independent director. The determination by the Board as to whether individual directors are independent is a matter of judgment. The Board considers the

relationships the independent directors have with the Company do not materially impact on their independence. In determining the materiality of these relationships, the Board has considered both quantitative and qualitative factors. In determining the quantitative factors the Board considers that a relationship is immaterial where it is equal to or less than 5% of the base amount. In applying this level of materiality to the relationship of the independent directors in the case of shareholders and suppliers, the Board considers that the independent directors' interest is less than 5% of the base amount. In respect to the qualitative measures the Board has considered the factors affecting the independent directors' relationship with the Company and consider these qualitative factors to be immaterial in the assessment of their independence.

The current Board of the Company comprises:-

Prof Ian Plimer (Chairman) – independent (appointed Director 9 May 2011- appointed Chairman 26 November 2015)

Mr Tracey Lake (Managing Director) – non-independent (appointed 30 April 2012)

Mr John Nethery (Non-Executive Director) – independent (appointed 9 March 2018)

Mr Lawrence Chartres (Non-Executive Director) – independent (appointed 9 March 2018)

The Chairman of the Company, Prof Ian Plimer, is an independent Director and is not the same person as the CEO. A majority of the Board is considered independent.

The Company has introduced a program for inducting new directors and for annually reviewing the need of the existing board and directors to undertake further professional development to maintain skills and knowledge.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

Code of Conduct

The Company has developed and adopted a Code of Conduct (the Code) which has been fully endorsed by the Board and applies to all directors and employees. The Code is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Company's integrity.

In summary, the Code requires that at all times all Company personnel act with the utmost integrity, objectivity, in the best interests of the Company and in compliance with the letter and the spirit of the law and Company policies.

Any breaches of the Code are reported to the chairman in the first instance for notification to the Board.

The directors are satisfied that the Company has complied with its policies on ethical standards, including trading in securities.

The Company has adopted and disclosed a Whistleblower Policy.

Whilst the Company is developing an Anti-Bribery and Corruption Policy, the board, individual directors and employees are all made aware of their obligations to act honestly at all times and to report any potential or actual incidences of bribery or corrupt behaviour.

Principle 4 – Safeguard the Integrity of Corporate Reports

The Company has an Audit Committee comprising the full board with a majority of three independent, non-executive directors, and the chair of which is not the Chairman of the board.

Prior to the Board approving the financial statements it receives a declaration from the CEO and CFO that the financial records of the entity have been properly maintained and that the financial statements comply with 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. The Audit Committee reviews the financial statements and the Company's internal controls.

The Company ensures that its external auditor attends the Annual General meeting and is available to answer questions from security holders relevant to the audit.

Periodic corporate reports that are not audited or reviewed by an external auditor are circulated to, reviewed by, and approved by the full board prior to release.

Principle 5 – Make Timely and Balanced Disclosure

The Company has a written Continuous Disclosure Policy for the continuous disclosure obligations of the Company.

The Company Secretary is responsible for the continuous disclosure obligations of the Company

Principle 6 – Respect the Rights of Security Holders

Continuous disclosure and shareholder communication

The Company has a policy that information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities is continuously disclosed as required under the Australian Stock Exchange (ASX) listing rules.

The Company's website provides comprehensive information about the company and its activities. The Company's officers are always available to answer shareholder questions either by telephone or electronically.

The Company encourages communication with shareholders and the attendance and effective participation by shareholders at general meetings.

The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX.

Annual and half yearly reports are made available on the Company's website and mailed to those shareholders who request a hard copy.

Principle 7 – Recognise and Manage Risk

The Board is aware of, and oversees the management of, the various risks that affect the Company and its business and has best practice procedures in place at its exploration areas. The risk procedures are under constant review as the Company's activities develop.

Principle 7 – Recommendation 7.1
Notification of Departure:

The Company does not have a risk committee.

Explanation for Departure:

The Board is aware of the various risks that affect the Company and its particular business. As the Company develops, the Board will further develop appropriate procedures to deal with risk oversight

and management and internal compliance, taking into account the size of the Company and the stage of development of its projects.

The risk management and internal control procedures are monitored by the appropriate officer and the Board continually reviews the procedures.

Principle 8 – Remunerate Fairly and Responsibly

Remuneration Policy

The Company's remuneration policy was developed by and approved by the Board. All employee executives receive a salary and statutory superannuation.

The Company does not participate in share based remuneration for its executives but can issue share options to Directors, employees and consultants. The terms of the share options to Directors, employees and consultants are based on what similar sized companies in the mining industry are offering. All share options to be issued to Directors require shareholder approval before being issued.

The amounts of remuneration for all Directors, including monetary and non-monetary components, are detailed in the Directors Report under the key management personnel remuneration heading. All remuneration paid to Executives is valued at the cost to the Company and expenses. Shares issued to Executives are valued as the difference in the market value of those shares and the amount paid by the Executive. Options given to Executives are valued using the Black-Scholes methodology.

When appropriate the Company receives external independent advice regarding remuneration.

Principle 8 - Recommendation 8.1

Notification of departure:

The Company has not established a separate remuneration committee.

Explanation for Departure:

Due to the early stage of development and small size of the Company, a separate remuneration committee was not considered to add any efficiency to the process of determining the levels of remuneration for the Directors and key executives. The Board considers that it is more appropriate to set aside time at Board meetings each year to specifically address matters that would ordinarily fall to a remuneration committee. In addition, all matters of remuneration will continue to be in accordance with Corporations Act requirements, especially in respect of related party transactions. That is, none of the Directors participate in any deliberations regarding their own remuneration or related issues.

Principle 8

Recommendation 8.2

Notification of departure:

The Company does not separately disclose policies and practices regarding remuneration of directors and senior executives.

Explanation for Departure:

Disclosure as to the nature and amount of remuneration paid to the Directors of the Company is included in the Directors report and notes to the financial statements in the Company's annual report each year. The structure and objectives of the remuneration policy and its links to the Company's performance is disclosed in the annual Directors' Report.

Principle 8

Recommendation 8.3

Notification of departure:

The Company does not have an equity based remuneration scheme and this recommendation is therefore not applicable.

This Corporate Governance Statement is current as at 23 November, 2020 and has been approved by the Board.