

16 November 2016

ASX ANNOUNCEMENT

TIMAH RESOURCES LIMITED (ASX: TML)

Corporate Governance Statement and Appendix 4G

Attached is Timah Resources Limited's 2016 Corporate Governance Statement and Appendix 4G in relation thereto.

A copy of the Corporate Governance Statement is also available online at www.timahresources.com.au .

For further information please contact:

Andrew Wallis
Company Secretary
Phone: +61 (2) 9267 4633

About Timah Resources Limited (TML)

TML focuses on generating energy to meet the needs of society in a sustainable manner. TML creates shareholder value through the generation of biogas renewable energy undertaken by its wholly owned Malaysian-based subsidiary, Mistral Engineering Sdn Bhd. ("Mistral")

Mistral is a green technology company that produces green power from Palm Oil Mill Effluent (POME). It owns and operates a 3MW Biogas POME Power Plant to be upgraded to 3.8MW at Segaliud, Sandakan in the state of Sabah, East Malaysia. Mistral is licensed as an independent power producer under the Malaysian Electricity Supply Act, 1990. TML aims to become a leading renewable energy producer in Malaysia, adopting high standards of occupational health and safety, environmental management and ethics.

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

Name of entity

TIMAH RESOURCES LIMITED

ABN / ARBN

69 123 981 537

Financial year ended:

30 June 2016

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

These pages of our annual report:

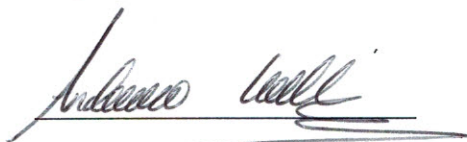
This URL on our website: www.timahresources.com.au

The Corporate Governance Statement is accurate and up to date as at 27 September 2016 and has been approved by the board.

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

Date: 16 November 2016

Name of Director or Secretary authorising lodgement: Andrew Wallis



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.

Key to Disclosures Corporate Governance Council Principles and Recommendations

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 the Board Charter	<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 type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input checked="" 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 <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 TML's website www.timahresources.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 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 paragraphs (c)(1) or (2):</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>
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 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>
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 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>

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 <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 TML's website</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"/> in the 2016 Annual Report</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 <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>
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 <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>

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 <u>OR</u> <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 <u>OR</u> <input type="checkbox"/> at <i>[insert location]</i> ... and the length of service of each director: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> in Directors' Report of the 2016 Annual Report	<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 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
2.6	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 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

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 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 TML's Website</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"/> in the Directors' Report of 2016 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>

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.	... 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 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.	... our continuous disclosure compliance policy or a summary of it: <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
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.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at www.timahresources.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.	... 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
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.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <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 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.	... 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

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 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 TML's website</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
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, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i> [If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at <i>[insert location]</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our Corporate Governance Statement 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

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 <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 TML's website</p> <p>... and the information referred to in paragraphs (4) and (5):</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>[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 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 Remuneration Report in the 2016 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 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 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>

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></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 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></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 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

The Board of Directors of TML is responsible for the corporate governance of TML including its strategic development.

The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations articulate eight core principles of good corporate governance and, for each of those principles, recommendations as to their implementation. Adoption of the Council's recommendations is not compulsory. However, under the Listing Rules of ASX, a listed entity is required to provide a statement disclosing the extent to which it has adopted the recommendations in the Reporting Period (12 months to 30 June 2016) and, if it has not adopted any of the recommendations, to explain why.

This Corporate Governance Statement sets out TML's current compliance, as at the date of 27 September 2016, with the ASX Corporate Governance Council's 3rd edition Corporate Governance Principles and recommendations (**Recommendations**).

This statement, approved by the Board of Directors on the 27 September 2016.

TML's corporate governance principles and policies are structured as follows:

Principle 1: Lay solid foundations for management and oversight

Roles and responsibilities

The Board is responsible to safeguard TML's interests, and foster sustainable value creation while taking into account the reasonable interests of shareholders, employees, customers, the communities in which TML operates and other relevant stakeholders. Its role and responsibilities is defined in the Constitution of Company as well as the Board Charter.

To assist the Board in carrying out its responsibilities, the following standing Committees of its members have been established:

- Audit and Risk Management Committee;
- Remuneration and Nomination Committee;

Each Committee has its own Charter that describes the roles and responsibilities delegated to the Committee by the Board. Charters for the Board and its Committees are reviewed by the Board annually, and were last reviewed in 27 September 2016.

The Board delegates to the Executive Chairman responsibility for implementing the strategic direction and for managing the day-to-day operations of TML.

Background Checks on New Appointment

When the Board agrees to appoint a new director, appropriate checks on their background and details of any interest that may influence his or her capacity to bring about independent judgment on the Board will be carried out, using the services of external consultants and whatever known information available, if considered necessary.

Further, under TML's Remuneration and Nomination Charter:

- The Board must ensure that a candidate for directorship has the appropriate range of skills, experience and expertise that will best complement Board effectiveness and TML's business;
- The Board must ensure appropriate checks are undertaken prior to appointment of any new director; and
- In the case of a candidate standing for election or re-election as a director, the candidate must disclose details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of TML and its security holders.

When a candidate's nomination for election is being put forward for approval by securityholders at an Annual Meeting, all material information in TML's possession that the Board considers relevant to the candidate's election as a Director will be provided to the securityholders in the relevant notice of meeting.

An announcement is made on the stock exchange upon formal appointment by the Board.

Written Agreement for Directors

TML has established a written agreement with its controlling shareholder, Cash Nexus (M) Sdn Bhd for the service and responsibilities of all the executive directors. The executive directors are bound by the terms of their agreements with Cash Nexus (M) Sdn Bhd.

TML does not consider that the non-executive directors require written agreements with TML at this stage.

Each director has signed a deed of access and indemnity with TML.

Company Secretary

The Company Secretary is accountable to the Board, through the Executive Chairman, on matters to do with the functioning of the Board, including advising the Board and its Committees on governance matters, monitoring that Board policies and procedures are followed, coordinating the timely dispatch of Board papers, drafting minutes of meetings and similar matters. The decision to remove or appoint the Company Secretary requires the Board's approval or ratification.

Diversity and Inclusion Policy

At TML, diversity means the positive recognition of the difference individuals bring to the organization and how these individuals work together to capture the benefits of the differences to the business. TML adopted a diversity and inclusion policy. Key to this policy is to ensure employees receive fair and equitable treatment in all aspects of their work. Discrimination, bullying, harassment and victimisation are not acceptable and will not be tolerated. This policy is available on TML's website.

The Board has established the following measurable objectives for advancing gender diversity:

- The number of women employed at TML as a proportion of the total workforce; and
- The number of female director as a proportion of the total director.

The following table provide an overview of TML's gender diversity objective for financial year 2016:

Percentage of non-executive Directors who are women	33%
Percentage of senior executive who are women	-
Percentage of workforce who are women	21%

Review and Evaluation

Under the Board Charter, performance of the Board and of individual directors is to be assessed each year. TML has a formal process for evaluating the effectiveness, process and structure of the Board, its committees and individual directors. The Board is committed to regular assessment of its effectiveness and believes that the contribution of individual directors is essential to improve the governance and guidance of TML.

The review of the Board and its directors is focused on matters such as the structure, effectiveness and contributions made by each director and the progress towards the strategic objectives of TML. The Executive Chairman is responsible for conducting the annual review of the Board's performance which involves open and constructive dialogue between respective parties.

The Executive Chairman meets privately with individual Directors as part of the assessment process. The results of this assessment are documented. The most recent review was conducted during the reporting period. .

The Nomination and Remuneration Committee will conduct periodic performance reviews for the senior executive. Each senior executive, including the Executive Chairman, has personal objective as well as objectives related to the performance of business or functional units. A report is provided to and reviewed by the Board. Performance reviews and evaluation for the senior executive are conducted at least annually and have been conducted for the Reporting period.

Principle 2 Structure the Board to add value

Remuneration and Nomination Committee

The purpose of this committee is to assist the Board and make recommendations to it in relation to the appointment and remuneration of new Directors (both executive and non-executive) and senior executives. The Committee is to have a minimum of 3 members. At any time the composition of the Board permits, the Committee will also consist only of non-executive directors, and a majority of independent directors, and will be chaired by an independent chairman appointed by the Board.

The committee comprises the following members:

- Mr Lee Chong Hoe as Chairman;
- Ms Michelle Siew Yee Lee; and
- Mr Jack Tian Hock Tan.

Functions performed by the committee will include the following:

- Providing advice in relation to remuneration packages of senior executives, non-executive Directors and executive Directors, equity-based incentive plans and other employee benefit programmes;
- Reviewing TML's recruitment, retention and termination policies;
- Reviewing TML's superannuation arrangements;
- Reviewing succession plans of senior executives and executive Directors;
- Recommending individuals for nomination as members of the Board and its committees;
- Ensuring the performance of senior executives and members of the Board are reviewed at least annually;
- Considering those aspects of TML's remuneration policies and packages, including equity based incentives, which should be subject to shareholder approval;
- Monitoring the size and composition of the Board;
- Reviewing TML's diversity policy and its effectiveness;
- Development of suitable criteria for the selection and appointment of Board candidates;
- Identification and consideration of possible candidates, and recommendation to the Board accordingly;
- Establishment of procedures, and recommendations for succession plans for the Board, and
- Ensuring the performance of each Director and of senior management, is reviewed and assessed each year in accordance with procedures adopted by the Board.

The Committee has adopted a formal Charter that is required to be reviewed annually. The Charter was most recently reviewed and updated in 27 September 2016. A copy of the Charter is available on TML's website.

The Remuneration and Nomination Committee will meet as often as necessary, but must meet at least twice a year and one of those meetings must take place at least 2 months prior to each Annual

General Meeting (AGM). The Chairman may invite other persons to attend meetings if appropriate. The Committee met two times during the reporting period.

The names of the current Directors and their experience, length of service as a Director and membership of Board Committees are set out in the Directors' Report for the Reporting Period contained in the Annual Report.

Board Skill Matrix

TML seeks to maintain a Board of Directors with board range of financial and other skills, experience and knowledge relevant to overseeing the business of a renewable energy company. As well as general skills expected of a Director, TML seeks to maintain a board which at a minimum collectively has:

- Experience and knowledge in renewable energy market;
- Experience and knowledge in engineering for energy generation;
- Experience and knowledge in risk management;
- Experience and knowledge in governance and compliance matters in listed entities;
- Experience and knowledge in executive leadership;
- Experience and knowledge in financial and accounting;
- Experience and knowledge in strategy development and implementation;
- Experience and knowledge in legal, public and regulation policy;
- Experience and knowledge in people matters including employee engagement, management development, succession and remuneration; and
- Experience and knowledge in health, safety and environment.

Independence of Directors

TML considers a Director to be independent if the Director is independent of management and free of any business or other relationship that could materially interfere, or be perceived as interfering, with the exercise of an unfettered and independent judgement in relation to matters concerning TML.

The Company considers that Jack Tan, Lee Chong Hoe and Michelle Lee are independent directors for the reasons given below:

Jack Tan has been a director of the Company since 16 February 2007, and acted as executive chairman from that date until the date of ASX listing. He holds less than 1% of the total issued shares in the Company. Although Mr Tan has been a director and executive of the Company for some time, this was during the time that the Company's business activities were investment in Vietnam and later mineral exploration. Mr Tan has had no involvement in the Company's current business, namely the operation of a biogas power plant in Malaysia and sale of energy through the Company's wholly owned subsidiary Mistral Engineering Sdn Bhd, which was acquired by the Company on 10 September 2015. As such, the Company considers that Mr Tan is an independent director of the Company.

Lee Chong Hoe's appointment as director of the Company took effect on 16 September 2015. Mr Lee is a lawyer in Malaysia, who has provided legal services to Cepatwawasan Group Berhad (CGB), the parent company of Cash Nexus (and which has a relevant interest in the shares in the Company which are held by Cash Nexus). Given that this relationship is with CGB and not the Company or any of its child entities, the Company considers that Mr Lee is an independent director of the Company. Mr Lee does not hold any shares in the Company.

Michelle Lee's appointment as director of the Company took effect on 16 September 2015. None of the factors listed in Box 2.3 of the Corporate Governance Principles and Recommendations are relevant to Ms Lee, and she does not hold any shares in the Company. Therefore, the company considers Ms Lee to be an independent director of the Company.

The Company's Board Charter states that the Board will comprise a majority of independent non-executive directors. The Company currently does not comply with this requirement of its Board Charter for the reasons given below, but the Board will aim to comply with this requirement at a later stage.

The Company has 6 directors, 3 of which are independent directors. Given the size of the Company, the Board believes that it has an appropriate size and mix of skills to provide independent and transparent decisions for the benefit of the Company, despite not having the recommended majority independent directors as outlined in this Recommendation.

Instead, the Board has implemented several policies and practices to enable it to make transparent and independent decisions. For example, directors are not allowed to be present during discussions or decision making on matters in which they have or could be seen to potentially have a material conflict of interest. In addition, directors are excluded from taking part in the appointment of third party service providers where the director has an interest, which provides further separation and safeguards to independence.

The Role of the Chairman

While the Board recognises the principle that the Chairman should be an independent director, the Board believes that Tan Sri Mah King Thian is the most appropriate person to lead the Board as Chairman following listing given his long-standing experience and business relationships. The Board is confident that Tan Sri Mah is able to bring quality and independent judgment to relevant issues falling within the scope of the role of Chairman.

The Chairman is responsible for the leadership of the Board, including taking all reasonable steps to ensure that the Board functions effectively, and for communicating the views of the Board to the public. The particular responsibilities of the Chairman are outlined in the Board Charter.

Directors' Development and Induction

The Board receives regular progress report on financial, commercial and operational update on the Company's business and may request elaboration or explanation of those reports. Directors will be updated with industry developments, regulatory changes and ongoing strategy review.

Directors are otherwise encouraged to maintain the skills and knowledge they need to perform their roles by attending relevant courses, seminars and conferences. With the prior approval of the Chairman, which may not be unreasonably withheld, each Director has the right to seek independent professional advice, at the cost of TML, concerning any aspect of TML's operations or undertakings in order to fulfil their duties and responsibilities as Directors and to ensure independent decision making.

An induction program is provided to new Director to gain an understanding to the Company's background and business nature.

Principle 3 Act ethically and responsibly

Code of Conduct

The Board acknowledges the need for the highest standards of corporate governance practice and ethical conduct by all directors, employees, consultants and contractors of TML.

The Board has adopted two Codes of Conduct for employees generally, and Directors and senior executives generally, which establishes a clear set of values that emphasise a culture encompassing strong corporate governance, sound business practices and good ethical conduct.

Recognising the increased role played by women and minorities in the workforce, TML has also adopted a Diversity Policy which is managed by the Remuneration and Nomination Committee. Key to this policy is the establishment of measurable gender diversity objectives, against which the Board will report progress annually.

Recognising that individuals connected with TML will sometimes be in possession of market-sensitive information, TML has adopted a Securities Trading Policy. Compliant with ASX Listing Rule 12.9, this policy also restricts any transactions in TML's Shares by TML directors, officers, consultants, senior management and other employees and related persons who in the course of their interactions with TML, are in possession of such market-sensitive information.

Principle 4 Safeguard integrity in financial reporting

Audit and Risk Management Committee

The purpose of this committee is to monitor the integrity of TML's financial statements, and monitor and review the effectiveness of TML's internal financial control system and internal and external audit functions.

The committee is to include at least 3 members, the majority of which are non-executive directors, including the chair who will not be the chairperson of the Board. At least one member is to have significant, recent and relevant financial management experience.

The committee comprises the following members:

- Mr Lee Chong Hoe as Chairman;
- Ms Michelle Siew Yee Lee; and
- Mr Soong Swee Koon.

The Company considers that including an executive director is appropriate given his intimate knowledge of the Company's operations during this initial phase, but may be replaced with a non-executive director at a later date.

The committee performs a variety of functions relevant to internal and external reporting and reports to the Board following each meeting. Among other matters for which the committee is responsible are the following:

- Monitor the integrity of the financial statements of TML and its subsidiaries, by reviewing significant financial reporting judgments;
- Review the effectiveness of TML's internal financial control system and, unless expressly addressed by the Board itself, risk management systems;
- Monitor and review the effectiveness of TML's internal audit function;
- Monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- Perform such other functions as assigned by law, TML's constitution, or the Board;
- Approve the corporate governance section of TML's Annual Report relating to the Committee and its responsibilities;
- Review compliance with legal and regulatory requirements;
- To review and oversee management policies and profiles and the risk management and internal control system and to review effectiveness and compliance;
- Identifying material business risks and monitoring emerging risks;
- Reviewing legal matters, compliance and reporting issues;
- Reviewing the compliance function at least annually;
- Reviewing findings of any regulatory examinations and liaising with regulators;
- Consideration of TML's official documents including media releases, ASX announcements and analyst information;
- Establishing a procedure for the receipt and treatment of complaints received regarding accounting and auditing matters;
- Reviewing corporate legal reports of evidence of violations of the Corporations Act, ASX Listing Rules or breaches of fiduciary duties; and
- Evaluating its performance at least annually.

The Committee's structure, roles and responsibilities are detailed in the Audit and Risk Committee Charter, which is available on the Company website.

The Committee is required by its Charter to meet at least four times each year. This was not met because the Committee was only established during the year. Detail of the attendance is disclosed in the Directors' Report.

Assurance from CEO and CFO

The CEO and the CFO have provided the Board with written declaration that:

- In their opinion, the financial records of TML have been properly maintained in accordance with the Corporations Act 2001 and the Financial Report for the reporting period complies with relevant accounting standards and gives a true and fair view of TML's financial position at the end of the Reporting Period and its financial performance during the reporting period; and
- To the best of their knowledge and belief, their declaration on those matters is founded on a sound system of risk management and internal control that is operating effectively in all material respects in relation to financial reporting risk, based on the risk management framework adopted by TML.

External Auditor Availability at AGM

The external auditor attends the Annual General Meeting and is available at the meeting to answer questions from shareholders about the conduct of the audit and the preparation and content of the independent Audit Report.

Principle 5 Make timely and balanced disclosure

TML is committed to promoting investor confidence and ensuring that Shareholders and the market are provided with timely and balanced disclosure of all material matters concerning TML, as well as ensuring that all Shareholders have equal and timely access to externally available information issued by TML.

TML has adopted a Continuous Disclosure Policy to outline responsibilities in relation to disclosing information to the market and shareholders, and to ensure compliance with the continuous disclosure regime under ASX Listing Rules and the Corporations Act 2001.

Principle 6 Respect the rights of security holders

Company's Website

TML's website address: www.timahresources.com.au provides detailed information about its business and operations. TML's website contains a wide range of information relevant to shareholders, such as details of TML's Board Members, Charters, Policies and corporate governance.

Shareholder Communication Policy

TML has adopted a Shareholder Communication Strategy to ensure that Shareholders have access to balanced and understandable information about TML and its activities.

Information is communicated to security holders through:

- Annual and half-yearly financial reports;
- Annual and other general meetings convened for security holder review and approval of Board proposals;
- Continuous disclosure of material changes to ASX for open access to the public; and
- The Company maintains a website where all ASX announcements, notices and financial reports are published as soon as possible after release to ASX.

All annual financial reports and notices for annual and other general meetings are distributed to the security holders unless specifically notified by the security holder that he or she would like to receive information regarding the TML electronically.

External communication which may have a material effect on the price or value of TML's securities will not be released unless it has been announced previously to ASX.

Effective participation by Shareholders will be encouraged at general meetings and procedures will be designed to facilitate this.

Participation of Shareholder in AGM

The Board encourages full participation by shareholders at the AGM to ask questions and make comments about TML's operations and the performance of the Board and senior management. Notices for general meetings and other communications with shareholder are drafted to ensure that they are honest, accurate and not misleading, and that the nature of the business of the meeting is clearly stated and explained where necessary. Important issues are presented to the shareholders as single resolutions. The shareholders are requested to vote on matters such as the election and aggregate remuneration of Directors, the adoption of the Company's Remuneration Report, the granting of options and shares to Directors and changes to the Constitution.

Principle 7 Recognise and manage risk

Audit and Risk Committee

The purpose of this committee is to monitor the integrity of TML's financial statements, and monitor and review the effectiveness of TML's internal financial control system and internal and external audit functions.

The committee is to include at least 3 members, the majority of which are non-executive directors, including the chair who will not be the chairperson of the Board. At least one member is to have significant, recent and relevant financial management experience.

The committee comprises the following members:

- Mr Lee Chong Hoe as Chairman;
- Ms Michelle Siew Yee Lee; and
- Mr Soong Swee Koon.

The Company considers that including an executive director is appropriate given his intimate knowledge of the Company's operations during this initial phase, but may be replaced with a non-executive director at a later date.

The committee performs a variety of functions relevant to internal and external reporting and reports to the Board following each meeting. Among other matters for which the committee is responsible are the following:

- Monitor the integrity of the financial statements of TML and its subsidiaries, by reviewing significant financial reporting judgments;
- Review the effectiveness of TML's internal financial control system and, unless expressly addressed by the Board itself, risk management systems;
- Monitor and review the effectiveness of TML's internal audit function;
- Monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services;
- Perform such other functions as assigned by law, TML's constitution, or the Board;
- Approve the corporate governance section of TML's Annual Report relating to the Committee and its responsibilities;
- Review compliance with legal and regulatory requirements;
- To review and oversee management policies and profiles and the risk management and internal control system and to review effectiveness and compliance;
- Identifying material business risks and monitoring emerging risks;
- Reviewing legal matters, compliance and reporting issues;
- Reviewing the compliance function at least annually;
- Reviewing findings of any regulatory examinations and liaising with regulators;
- Consideration of TML's official documents including media releases, ASX announcements and analyst information;
- Establishing a procedure for the receipt and treatment of complaints received regarding accounting and auditing matters;
- Reviewing corporate legal reports of evidence of violations of the Corporations Act, ASX Listing Rules or breaches of fiduciary duties; and
- Evaluating its performance at least annually.

The Committee's structure, roles and responsibilities are detailed in the Audit and Risk Committee Charter, which is available on the Company website.

The Committee is required by its Charter to meet at least four times each year. This was not met because the Committee was only established during the year. Detail of the attendance is disclosed in the Directors' Report.

Internal Audit

TML does not have an internal audit function. The process for evaluating and continually improving the effectiveness of its risk management and internal control processes is overseen by the Audit and Risk Committee in accordance with its charter.

Risk Management Framework and Internal Control

The Board recognises the importance of a sound risk management framework and internal control system to safeguard shareholders' investments and TML's assets.

The Board affirms its responsibility for the adequacy and effectiveness of TML's System of internal control. This includes reviewing the adequacy and integrity of financial, operational and compliance controls and risk management procedures.

In view of the limitations that are inherent in any system of internal control, the Board ensures that this system is designed to manage TML's risks within an acceptance risk profile, rather than eliminate the risk of failure to achieve corporate objectives of TML. Accordingly, the system can provide reasonable but not absolute assurance against material misstatement of management and financial information and records or against operational failures, fraud or financial loss.

The Board has established an ongoing process for identifying, evaluating and managing significant risks faced by TML. This ongoing process which includes updating the system of internal controls when there are changes in the business environment or regulatory guidelines is reviewed by the Board. The Board is of the view that the risk management and the system of internal controls in place for the year under review are sound and sufficient to safeguard the shareholders' investments and TML's assets.

The management has reviewed TML's internal control system and formalised the risk management practise to comply with the Malaysian Code on Corporate Governance 2012 (the "Code"). In consequence, a formal risk management framework has been established to ensure that structured and consistent approach and methods are practised in the ongoing process of identifying and assessing various critical risks that are considered likely to affect the profitable operation of the business. These include operational risk, market risk, legal risk and environmental risk. After the review and taking into consideration of the nature of TML's business, the Directors are of the view that TML is not materially exposed to legal, environmental and market risks and therefore have concluded to focus on the operational risks relevant to its business segment.

The Board is supported by the Audit and Risk Committee in overseeing the risk management efforts within TML. The management has worked within the approved and adopted framework for principal risks affecting TML's strategic business objectives throughout the year. Additional

reviews will be carried out as and when required annually. The ongoing implementation is monitored by the Management and is reported quarterly to the Board. The outcome of such risk management efforts is a database of all major risks and their controls or action plans to mitigate such risks was compiled to produce a risk profile.

TML has also implemented a system of internal controls as set out in the Operations Manual. The Board will review from time to time and update the financial authority limits set out therein as and when necessary. Such system of internal controls and financial authority limits serve as a check and balance mechanism on TML's daily operations.

During the period, there is no actual, suspected or alleged fraud affecting TML.

Principle 8 Remunerate fairly and responsibly

Remuneration and Nomination Committee

The purpose of this committee is to assist the Board and make recommendations to it in relation to the appointment and remuneration of new Directors (both executive and non-executive) and senior executives. The Committee is to have a minimum of 3 members. At any time the composition of the Board permits, the Committee will also consist only of non-executive directors, and a majority of independent directors, and will be chaired by an independent chairman appointed by the Board.

The committee comprises the following members:

- Mr Lee Chong Hoe as Chairman;
- Ms Michelle Siew Yee Lee; and
- Mr Jack Tian Hock Tan.

Functions performed by the committee will include the following:

- Providing advice in relation to remuneration packages of senior executives, non-executive Directors and executive Directors, equity-based incentive plans and other employee benefit programmes;
- Reviewing TML's recruitment, retention and termination policies;
- Reviewing TML's superannuation arrangements;
- Reviewing succession plans of senior executives and executive Directors;
- Recommending individuals for nomination as members of the Board and its committees;
- Ensuring the performance of senior executives and members of the Board are reviewed at least annually;
- Considering those aspects of TML's remuneration policies and packages, including equity based incentives, which should be subject to shareholder approval;
- Monitoring the size and composition of the Board;
- Reviewing TML's diversity policy and its effectiveness;
- Development of suitable criteria for the selection and appointment of Board candidates;

- Identification and consideration of possible candidates, and recommendation to the Board accordingly;
- Establishment of procedures, and recommendations for succession plans for the Board, and
- Ensuring the performance of each Director and of senior management, is reviewed and assessed each year in accordance with procedures adopted by the Board.

The Committee has adopted a formal Charter that is required to be reviewed annually. The Charter was most recently reviewed and updated in 27 September 2016. A copy of the Charter is available on TML's website.

The Remuneration and Nomination Committee will meet as often as necessary, but must meet at least twice a year and one of those meetings must take place at least 2 months prior to each Annual General Meeting (AGM). The Chairman may invite other persons to attend meetings if appropriate. The Committee met three times during the reporting period.

The names of the current Directors and their experience, length of service as a Director and membership of Board Committees are set out in the Directors' Report for the Reporting Period contained in the Annual Report.

Remuneration Report

A Remuneration Report required under Section 300A(1) of the Corporations Act 2001 (Cth) is provided in the Directors' Report which forms part of the 2016 Annual Report.

Equity-Based Remuneration Scheme

The Board has adopted a formal Securities Trading Policy that complies with ASX Listing Rule 12.12.

Under the Securities Trading Policy, Directors and certain key management personnel are prevented from trading in TML's shares during the period from the end of a statutory reporting period until two days after the announcement of quarterly, half year and full year reports. This is a restriction over and above the requirement to not trade in TML's securities when in possession of inside information which applies to all Directors, executives and employees of TML.

The Board may, in exceptional circumstances only, approve any member of key management personnel (or his or her associated parties) trading in TML's securities during a restricted period. An exemption will not however be granted by the Board if it considers there is information that is not generally available, but if it were, would be likely to "materially affect" the price of TML's securities.

In accordance with the provisions of the Corporations Act and ASX Listing Rules, TML, on behalf of the Directors, must advise ASX of any transactions conducted by Director's in TML's securities.