

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement issued by Plus Connect Limited ("**Company**") sets out the Company's compliance with the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**) during the reporting period ending 30 June 2018 (**Reporting Period**).

The Board of the Company currently has in place corporate governance policies and charters which have been posted in a dedicated corporate governance information section on the Company's website: <https://www.plusconnect.com.au/site/investor-information1/investor-welcome>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (Yes/No)	EXPLANATION
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
1.1 Companies 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.	Yes	<p>The Board is responsible for overseeing the management of the Company's business and the overall corporate governance. The Board has adopted a written charter to provide a framework for the effective operation of the Board, which sets out the Board's composition, roles and responsibilities and the relationship and interaction between the Board and management, and the authority delegated by the Board to management and Board committees.</p> <p>The Company has also established a clear delineation between the Board's responsibility for the Company's strategy and activities. Each director of the Company is bound by the Company's charters and policies which clearly outline the roles and responsibilities of Board Members and management.</p> <p>Please refer to the Board Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
1.2 Companies should: (a) undertake appropriate checks before appointing a person, or putting forward	Yes	<p>The Company has adopted a Nomination Committee Charter to guide the Board in discharging its obligations to identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise, having regard to the desired composition of the Board and undertake appropriate checks</p>

	<p>to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>		<p>before appointing a person or putting forward to shareholders a new candidate for election, as a director.</p> <p>The Board is currently not of a relevant size to justify the formation of a Nomination Committee and, accordingly, the Board remains responsible for such matters and will discharge its responsibilities in accordance with the Nomination Committee Charter (to the extent applicable).</p> <p>Please refer to the Nomination Committee Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p> <p>All material information relevant to a decision on whether or not to elect or re-elect a Director is provided to shareholders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.</p>
1.3	Companies should have a written agreement with each director and senior executive setting out the terms of their appointment.	No	<p>The Company does not have written agreements with all directors and senior executives. Instead, the appointment of directors is governed by the relevant provisions of the Company's constitution and the Company uses its Performance Evaluation Policy and Code of Conduct to monitor and assess the performance of its directors and senior executives.</p> <p>Please refer to the Performance Evaluation Policy and Nomination Committee Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
1.4	The company secretary should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	<p>The Company Secretary is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary works closely with the Chairman to manage the flow of information to the Board.</p> <p>Please refer to the Board Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
1.5	Companies should: (a) have a diversity policy which includes requirements for the board or a relevant	Yes	<p>The Company has adopted a Diversity and Inclusion Policy (which can be viewed on its website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance). Diversity includes, but is not limited to,</p>

	<p>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>gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employees and board diversity.</p> <p>The Diversity and Inclusion Policy outlines the requirements for the Board to develop objectives for achieving diversity, and annually assess both the objectives and the progress in achieving those objectives. To assist in fostering diversity, the policy includes the requirement for the Company to take diversity of background into account (in addition to candidates' skills and experience in a variety of the specified fields) when selecting new Directors, senior management and employees.</p> <p>The Board is responsible for monitoring Company performance in complying with the Diversity and Inclusion Policy requirements and achieving these objectives in the future as director and senior executive positions become vacant and appropriately qualified candidates become available.</p> <p>The Board assessed the gender diversity of the Company during the Reporting Period and discloses the following proportions of men and women:</p> <ul style="list-style-type: none"> • whole organisation*: 4 men and 2 women; • senior executive positions: 1 man and 0 women; • Board**: 3 men and 2 women. <p>* including the Board ** including the joint Company Secretaries</p> <p>Given the current size of the Board and the sale of Plus Connect's business, the Board does not consider the Company's operations to be of a nature or size to justify setting further measurable objectives in addition to the diversity strategies required under the Diversity and Inclusion Policy.</p> <p>The Board will reconsider the matter in due course upon the acquisition of a suitable asset or business.</p> <p>Please refer to the Diversity and Inclusion Policy available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
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1.6	<p>Companies 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>	Yes	<p>During the Reporting Period, the Company was continuously evaluating the Board's performance and processes and undertook various initiatives in light of the current circumstances of the Company.</p> <p>On 6 August 2018, the Company announced its decision to divest the betting business by way of a sale of 100% of the shares in the Company's wholly owned subsidiary, Plus Connect Holdings Pty Ltd.</p> <p>As part of the divestment of the Plus Connect business, and while the Company works to identify a suitable new business opportunity, the Board has initiated a significant cost cutting program to enhance the Company's financial prospects and corporate health. The program included a review of the skills needed on the Board going forward, resulting in the appointment of a new independent non-Executive Director and the resignation of an Executive Director and a non-Executive Director.</p> <p>The Board expects to further evaluate its composition upon the acquisition of a suitable asset or business.</p> <p>The Board believes that such ongoing evaluation is sufficient for the purposes of ASX Corporate Governance and considers that the Company is not currently of a size to warrant an external Board Evaluation.</p> <p>Please refer to the Performance Evaluation Policy (available via the Company's website, https://www.plusconnect.com.au/site/investor-information1/corporate-governance).</p>
1.7	<p>Companies 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</p>	Yes	<p>The Board is responsible for periodically evaluating the performance of the Company's Senior Executives and may employ such discretionary evaluation techniques as appropriate during each evaluation period.</p> <p>During the Reporting Period the Board conducted an annual evaluation of its Senior Executives.</p>

	reporting period in accordance with that process.		Please refer to the Performance Evaluation Policy (available via the Company's website, https://www.plusconnect.com.au/site/investor-information1/corporate-governance).
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>The Board 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>	Yes	<p>Neither the Board, nor the Company's operations, is currently of a size or complexity to justify the formation of a separate Nomination Committee. The Board has adopted a Nomination Committee Charter which describes the role, composition, functions and responsibilities of such a Committee. The Board has also adopted a Remuneration Committee Charter, which details the remuneration principles the Board is to consider in setting executive and senior management remuneration. Until such time that a separate Nomination Committee is constituted, the Board remains responsible for such matters and will discharge its responsibilities in accordance with the Nomination Committee Charter and Remuneration Committee Charter (to the extent applicable).</p> <p>The Board oversees the appointment and induction process for Directors and the selection, appointment and succession planning process of the Company's CEO, where relevant. When a vacancy exists or there is a need for a particular skill, the Board determines the selection criteria that will be applied, with consideration to the Diversity and Inclusion Policy and requirements of the Nomination Committee Charter. The Board will then identify suitable candidates, with assistance from an external consultant if required, and will interview and assess the selected candidates.</p> <p>Please refer to the Nomination Committee Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
2.2	Companies 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.	Yes	<p>Having regard to the Company's business objectives and strategies, the mix of skills, experience and diversity that the Board seeks to maintain in its membership includes:</p> <ul style="list-style-type: none"> • business acquisition, financing and integration skills; • financial literacy and legal and regulatory knowledge; and • relevant industry, corporate and board experience.

			<p>Upon acquisition of a suitable asset or business, the Board will undertake an evaluation of its skills matrix to ensure that the above skills satisfy the ongoing skills and experience needed to execute the Company's business strategy and to identify any gaps in the skills and experience of the current Board. The Board will then assess all future candidates for Board positions and the performance of its current membership on this basis.</p> <p>Please refer to the Company's Nomination Committee Charter and Diversity and Inclusion Policy available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
2.3	<p>Companies should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in 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</p> <p>(c) the length of service of each director.</p>	Yes	<p>The Board consists of three Directors, including:</p> <ul style="list-style-type: none"> • two executive Directors, Paul Crossin and Sam Almaliki; and • one independent, non-executive Director, Andrew Bald. <p>The length of service for each director is:</p> <ul style="list-style-type: none"> • Paul Crossin: appointed 20 January 2017 • Sam Almaliki: appointed 5 February 2018 • Andrew Bald: appointed 22 August 2018
2.4	<p>A majority of the Board should be independent directors.</p>	No	<p>One of the three Directors of the Company is considered to be independent. The Board comprises one independent non-executive Director (Andrew Bald) and two executive Directors (Sam Almaliki and Paul Crossin).</p> <p>The Board believes that the Company is not presently of a size or complexity which justifies the appointment of additional independent directors to meet the independence requirement of this Recommendation 2.4.</p>

			The Board expects to revisit the composition of the Board upon the acquisition of a suitable asset or business.
2.5	The chair of the Board should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Yes	Andrew Bald, the Company's Chairman, is an independent non-executive Director and is not the same person as the CEO.
2.6	Companies 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.	Yes	The Board has induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. Please refer to the Nomination Committee Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	Companies should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	Yes	The Board has adopted a Code of Conduct to be followed by all employees and officers (including Directors). Please see the Code of Conduct available at https://www.plusconnect.com.au/site/investor-information1/corporate-governance
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The Board 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;	Yes	Neither the Board, nor the Company's operations, is currently of a size or complexity to justify the formation of a separate Audit Committee. The Board has adopted an Audit and Risk Committee Charter which describes the role, composition, functions and responsibilities of such a Committee and until such time that a separate Audit Committee is constituted, the Board remains responsible for such matters and will discharge its responsibilities in accordance with the Audit and Risk Committee Charter (to the extent applicable). Please refer to the Audit and Risk Committee Charter (available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance) for details as to the processes it employs that independently verify and safeguard the integrity of its corporate reporting,

	<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>including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>
4.2	<p>The Board 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>	Yes	<p>The Board ensures that, before it approves the entity's financial statements for a financial period, it receives declarations from the Chief Executive Officer and/or Chief Financial Officer, or such persons as required under the Corporations Act to provide such 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>
4.3	<p>Companies should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Yes	<p>The Board is responsible for ensuring that the external auditor attends the Annual General Meeting of the Company and is available to answer questions from shareholders of the Company relevant to the audit.</p>

			Please refer to the Shareholder Communications Strategy set out in the Corporate Governance Plan available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	Companies 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.	Yes	The Company has adopted a Continuous Disclosure Policy to ensure compliance with its continuous disclosure obligations under the ASX Listing Rules. The Policy establishes procedures that seek to ensure that Directors and management are aware of, and fulfil, their obligations in relation to the timely disclosure of material price-sensitive information. Please refer to the Continuous Disclosure Policy available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	Companies should provide information about itself and its governance to investors via its website.	Yes	Information regarding the Company, its business and its governance is available on its website, https://www.plusconnect.com.au/site/investor-information1/investor-welcome
6.2	Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	The Board has adopted the Shareholder Communications Policy (available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance) which seeks to ensure that all material information regarding the Company is disclosed in accordance with the ASX Listing Rules and requires shareholder queries to be directed to the Company Secretary in the first instance. Please refer to the Shareholder Communications Policy for further details.
6.3	Companies should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	The Company's Shareholder Communications Policy establishes procedures to encourage effective participation at general meetings by ensuring the Chairman and Managing Director both make an address at general meetings and through the auditor's lead engagement partner being present at the AGM to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

			Please refer to the Company's Shareholder Communications Policy (available via the Company's website, https://www.plusconnect.com.au/site/investor-information1/corporate-governance) for further details.
6.4	Companies should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	The Company, and its share registry, allows investors to elect to receive communications electronically.
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	Companies should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (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 (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.	Yes	Neither the Board, nor the Company's operations, is currently of a size or complexity to justify the formation of a separate Risk Committee. The Board has adopted an Audit and Risk Committee Charter which describes the role, composition, functions and responsibilities that such a Committee would typically be charged with and until such time that a separate Risk Committee is constituted, the Board remains responsible for such matters and will discharge its responsibilities in accordance with the Audit and Risk Committee Charter (to the extent applicable). Please refer to the Audit and Risk Committee Charter and Risk Management Policy (available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance) for details as to the processes it employs to oversee the entity's risk management framework.
7.2	The Board or a committee of the Board should:	Yes	The Board is responsible for reviewing the Company's risk management framework to ensure that such measures continue to be sound and appropriate for the Company's risk appetite and growth objectives. Reviews of the risk management

	<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>framework may occur more or less frequently than annually as necessitated by changes in the Company and its operating environment.</p> <p>During the Reporting Period the Board continuously identified, monitored and, where appropriate, managed or reduced any significant risks to the Company's operations.</p> <p>Upon acquisition of a suitable asset or business, the Board will undertake an evaluation of its risk management framework and risk matrix to ensure that it has the appropriate risk identification and management policies needed to execute the Company's business strategy. The Board will then assess all future risks to the Company's operations on this basis.</p> <p>Please refer to the Company's Audit and Risk Committee Charter and Risk Management Policy available via the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
7.3	<p>Companies 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>	Yes	<p>The Company does not currently have an internal audit function. The Board considers the processes employed pursuant to the Audit and Risk Committee Charter and Risk Management Policy are sufficient for evaluating, and continually improving, the effectiveness of its risk management and internal control processes given the size and complexity of the Company's business.</p> <p>Please refer to the Company's Audit and Risk Committee Charter and the Risk Management Policy (available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance) for further information.</p>
7.4	<p>Companies 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>	Yes	<p>Like any business currently identifying suitable businesses for the purposes of an acquisition and reverse takeover transaction, the Company is exposed to fluctuations in market demand and potential business opportunities.</p> <p>The Board considers the Company's strategy to preserve cash and actively seek new business opportunities across a range of industries mitigates these risks to the extent reasonably possible.</p>

			The Board does not consider there to be any other material exposure to economic, environmental or social sustainability risks.
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>Companies 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>	Yes	<p>Neither the Board, nor the Company's operations, is currently of a size or complexity to justify the formation of a separate Remuneration Committee. The Board has adopted a Remuneration Committee Charter which describes the role, composition, functions and responsibilities that such a Committee would typically be charged with and a Remuneration Committee Charter which sets out the principles to be applied when setting executive and senior management remuneration. Until such time that a separate Remuneration Committee is constituted, the Board remains responsible for such matters and will discharge its responsibilities in accordance with the Remuneration Committee Charter (to the extent applicable).</p> <p>Please refer to the Remuneration Committee Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
8.2	<p>Companies 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>	Yes	<p>The Company's Remuneration Committee Charter separately discloses its policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of executive directors and other senior executives.</p> <p>Please see the Remuneration Committee Charter available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>

8.3	<p>A company 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>	Yes	<p>The Company previously implemented an Incentive Option Scheme to assist in the reward, retention and motivation of executives and key employees of the Company Group.</p> <p>The Company's Securities Trading Policy prohibits Key Management Personnel (which the Company has determined as being its Directors and, where relevant, those employees directly reporting to the Managing Director) from engaging in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter.</p> <p>Please also see the Securities Trading Policy available on the Company's website: https://www.plusconnect.com.au/site/investor-information1/corporate-governance</p>
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