

CORPORATE GOVERNANCE STATEMENT

The Board is responsible for establishing the Company's corporate governance framework. In establishing its corporate governance framework for the financial year ended 30 June 2020 (**Reporting Period**), the Board has referred to the Corporate Governance Principles and Recommendations (3rd Edition) published by the ASX Corporate Governance Council (**Recommendations**). The Company sets out below its compliance with, and departures from the Recommendations for the financial year ended 30 June 2020.

As at the date of this Statement, the Company has adopted the following corporate governance policies and procedures, which can be found on the Company's website at www.netlinkz.com under the section marked "Corporate Governance" (together, the **Corporate Governance Plan**):

- a) Audit and Risk Committee Charter
- b) Board Charter;
- c) Board Performance Evaluation Policy;
- d) Code of Conduct;
- e) Continuous Disclosure Policy;
- f) Diversity Policy.
- g) Remuneration and Nomination Committee Charter;
- h) Risk Management Policy;
- i) Security Trading Policy;
- j) Shareholder Communication Policy;
- k) Technology Committee Charter; and
- l) Whistleblower Policy.

The Board is committed to administering the Corporate Governance Plan with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. In light of the Company's size and nature, the Board considers that the current corporate governance regime is a fit-for-purpose, efficient, practical and cost-effective method of directing and managing the Company. As the Company's activities develop in size and nature, the implementation of additional corporate governance policies and structures will be considered.

The Company further notes that it is in the process of reviewing its Corporate Governance Plan in light of the 4th Edition Corporate Governance Principles and Recommendations which came into effect on 1 July 2020.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1

The Company complied with Recommendation 1.1 in full for the whole of the Reporting Period.

The Company has established the respective roles and responsibilities of its Board, Chair and management, including those matters expressly reserved to the Board and those delegated to management, and has documented this in its Board Charter. A copy of the Company's Board Charter is available on the Company's website.

Recommendation 1.2

The Company complied with Recommendation 1.2 in full for the whole of the Reporting Period.

The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director and provides shareholders with all material

information in its possession relevant to a decision on whether or not to elect, or re-elect a director.

During the Reporting Period, the Company appointed Mr Ian Renwood, Mr Grant Thomson, Mr Michael Beck and Mr Bruce Rathie as Directors of the Company, and confirms that appropriate checks were undertaken prior to each of their appointments.

Recommendation 1.3

The Company complied with Recommendation 1.3 in full for the whole of the Reporting Period.

The Company has a written agreement with each Director and senior executive of the Company, which sets out the terms of their appointment.

Recommendation 1.4

The Company complied with Recommendation 1.4 in full for the whole of the Reporting Period.

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Board Charter of the Company sets out the specific responsibilities of the Company Secretary.

Recommendation 1.5

The Company did not comply with Recommendation 1.5 in full for the whole of the Reporting Period.

The Board and the Group as a whole is committed to an inclusive workplace that embraces and values diversity while always upholding the principle of meritocracy.

During the Reporting Period:

- a) the Company had in place a Diversity Policy;
- b) for the reasons set out below, the Board did not set measurable objectives for achieving gender diversity in accordance with its Diversity Policy;
- c) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation are set out below. The Company defines 'senior executives' as those employees whose direct report is the Chief Executive Officer, or the Board:
 - All of the Company's Board members as at 30 June 2020 were male;
 - All of the Company's senior executives as at 30 June 2020 were male; and
 - 8% of the Company's entire workforce of 36 people, were female.

The Company notes that during the Reporting Period, the Company had in place a Diversity Policy which required (amongst other things) the Board to determine measurable objectives to achieve the diversity objectives set out in its policy. Notwithstanding the Board's commitment to diversity in the workplace, the Company did not comply (in full) with Recommendation 1.5 during the Reporting Period, as given the size of the Company and its workforce, it does not currently have sufficient resources to be able to define and implement a formal diversity program that is compliant with the Recommendations. Further, the Board considers that, at this stage, the incremental benefits of a structured diversity program are disproportionate to the implementation costs involved, when compared to the Company's current practices.

As a result, subsequent to the Reporting Period, the Board adopted a revised Diversity Policy which provides for a tiered approach to the implementation of the initiatives of Recommendation 1.5, which is relative to the size of the Group and its workforce. Accordingly, where the Group employs 100 or more employees, the Board of the Company undertakes to adopt practices in line with the Recommendations.

Whilst the Group's workforce remains below this threshold, the Board of the Company will continue to drive the Group's diversity strategies on an informal basis, and will apply the initiatives contained in its Diversity Policy to the extent that the Board considers them to be necessary, practical and achievable in the context of the Group's needs and available resources.

Recommendation 1.6

The Company complied with Recommendation 1.6 in full for the whole of the Reporting Period.

The Company has adopted a Board Performance Evaluation Policy which sets out the process for periodically evaluating the performance of the Board, its committees, and individual directors. During the Reporting Period, the Company charged the Chairman with the responsibility for driving the evaluation process set out in the Board Performance Evaluation Policy. Upon establishment of a Remuneration and Nomination Committee in May, 2020, that Committee assumed this responsibility.

A copy of the Board Performance Evaluation Policy is disclosed on the Company's website.

The process set out in the Board Performance Evaluation Policy was undertaken during the Reporting Period.

Recommendation 1.7

The Company complied with Recommendation 1.7 in full for the whole of the Reporting Period.

During the Reporting Period until the formation of the Remuneration and Nomination Committee in May, 2020, the Company's Chairman and Chief Executive Officer was charged with responsibility for evaluating the performance of the Company's senior executives, and the full Board was charged with responsibility for evaluating the performance of the Company's Chief Executive Officer.

The Company's process for evaluating performance of the Company's senior executives is to consider the Company's organisation performance objectives, and to annually review each senior executive's performance against these objectives, including the specific performance targets set for each executive.

The process set out above was undertaken during the Reporting Period.

Principle 2: Structure the board to add value

Recommendation 2.1

The Company complied with Recommendation 2.1 in full for the whole of the Reporting Period.

For the period 1 July 2019 to May, 2020, due to the size of the Board, the Company did not have a separate nomination committee, and the responsibilities of the nomination committee as set out in the then current Remuneration and Nomination Committee Charter were carried out by the full Board.

In May 2020, the Company established a joint Remuneration and Nomination Committee, comprised of two independent, non-executive Directors, being Mr Grant Thomson and Mr Bruce Rathie. Mr Thomson was appointed as the Chairman of the Committee and is not the Chairman of the Board.

Given the size of the Board, the Company did not consider it necessary that the Remuneration and Nomination Committee comprise three members, and considered that the composition of its Remuneration and Nomination Committee was sufficient to allow it to carry out its duties in accordance with its Charter.

The joint Remuneration and Nomination Committee is responsible for carrying out the duties and responsibilities set out in the joint Remuneration and Nomination Committee Charter, a copy of which is available on the Company's website.

The relevant qualifications and experience of the members of the joint Remuneration and Nomination Committee are set out in the Director Report section of the Company's 2020 Annual Report.

Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are also set out in the Directors Report section of the 2020 Annual Report.

Recommendation 2.2

The Company did not comply with Recommendation 2.2 in full for the whole of the Reporting Period.

The Board of the Company aims to ensure its members have a broad and complementary range of technical, commercial, financial and other skills, experience and knowledge relevant to overseeing the

business of the Company.

Whilst the Company did not have a formal Board Skills Matrix setting out the mix of skills and diversity that the Board currently had or was looking to achieve, the Board regularly considers the skills, qualification and experience of existing directors and new board candidates against its the desired composition set out above. The Company has recently established a Remuneration and Nomination Committee, and intends to establish and maintain a Board Skills Matrix in the next Reporting Period.

Recommendation 2.3

The Company complied with Recommendation 2.3 in full for the whole of the Reporting Period.

Between 1 July 2019 and 21 October 2019, the Board was comprised of a majority of non-independent Directors, with the composition of independent and non-independent Directors on the Board being as follows:

Independent	Not Independent
David O'Dowd	James Tsiolis
	Hualin Zhang

The Chairman and CEO, Mr James Tsiolis, was not considered to be independent by virtue of his role as CEO of the Company, and his substantial shareholding.

Mr Zhang was not considered to be independent by virtue of his executive position with the Company.

Mr O'Dowd was considered to be independent.

Between 21 October 2019 and 25 October 2019, following the appointment of Ian Renwood on 21 October 2019, the Board was comprised of an equal number of independent Directors and non-independent Directors, with the composition being as follows:

Independent	Not Independent
David O'Dowd	James Tsiolis
Ian Renwood	Hualin Zhang

Mr Renwood was considered to be independent.

Between 25 October 2019 and 26 November 2019, following the appointment of Grant Thomson on 25 October 2019, the Board was comprised of a majority of independent Directors, with the composition of independent and non-independent Directors on the Board being as follows:

Independent	Not Independent
David O'Dowd	James Tsiolis
Ian Renwood	Hualin Zhang
Grant Thomson	

Mr Thomson was considered to be independent during his tenure as a non-executive director.

Between 26 November 2019 and 12 December 2019, following the resignation of David O'Dowd on 26 November 2019, the Board was comprised of an equal number of independent Directors and non-independent Directors, with the composition being as follows:

Independent	Not Independent
Ian Renwood	James Tsiolis
Grant Thomson	Hualin Zhang

Between 12 December 2019 and 14 April 2020, following the appointment of Michael Beck on 12 December 2019, the Board was comprised of a majority of independent Directors, with the composition of independent and non-independent Directors on the Board being as follows:

Independent	Not Independent
Ian Renwood	James Tsiolis
Grant Thomson	Hualin Zhang
Michael Beck	

Mr Beck was considered to be independent.

Between 14 April 2020 and 21 April 2020, following the resignation of Ian Renwood on 14 April 2020, the Board was comprised of an equal number of independent Directors and non-independent Directors, with the composition of independent and non-independent Directors on the Board being as follows:

Independent	Not Independent
Grant Thomson	James Tsiolis
Michael Beck	Hualin Zhang

Between 21 April 2020 and 30 June 2020, following the appointment of Bruce Rathie and resignation of Michael Beck on 21 April 2020, the Board was comprised of an equal number of independent Directors and non-independent Directors, with the composition being as follows:

Independent	Not Independent
Grant Thomson	James Tsiolis
Bruce Rathie	Hualin Zhang

Mr Rathie is considered to be independent.

The Board considered the independence of directors having regard to the guidance set out in Box 2.3 of the Recommendations and has not formed an opinion contrary to those guidelines.

Recommendation 2.4

The Company did not comply with Recommendation 2.4 in full for the whole of the Reporting Period, as noted above. Despite this, the Board considered that the mix of skills, experience and knowledge of the Board was at all times appropriate to meet the Company's needs, and has since effected Board changes such that the Company's Board currently comprises a majority of independent Directors.

Recommendation 2.5

The Company did not comply with Recommendation 2.5 in full for the whole of the Reporting Period.

As noted above, the Company's Chairman, Mr James Tsiolis, is not an independent Director and is the Chief Executive Officer of the Company. Despite being a departure from the Recommendations, Mr Tsiolis is considered to be the most appropriate person for his positions as Chairman and CEO given his deep technical industry knowledge, his Australian capital markets and public company experience and his vested interest in the Company as a shareholder.

Recommendation 2.6

The Company complied with Recommendation 2.6 in full for the whole of the Reporting Period.

The Company's program for the induction of new directors is tailored to each new Director according to

their personal requirements, background skills, qualifications and experience and includes the provision of a formal letter of appointment and an induction pack containing sufficient information to allow the new Director to gain an understanding of the business of the Company and the roles, duties and responsibilities of Directors.

All Directors are encouraged to undergo continual professional development and, subject to prior approval by the Chairman, all Directors have access to numerous resources and professional development training opportunities to address any skills gaps.

Principle 3: Act ethically and responsibly

Recommendation 3.1

The Company complied with Recommendation 3.1 in full for the whole of the Reporting Period.

The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (**Code**), which applies to all Directors, employees, contractors and officers of the Company, and addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. A copy of the Code is disclosed on the Company's website.

Principle 4: Safeguard integrity in corporate reporting

Recommendation 4.1

The Company complied with Recommendation 4.1 in full for the whole of the Reporting Period.

For the period 1 July 2019 to February, 2020, due to the size of the Board, the Company did not have a separate audit committee, and the responsibilities of the audit committee as set out in the then current Audit and Risk Committee Charter were carried out by the full Board.

In February, 2020, the Company established a joint Audit and Risk Committee, comprised of independent non-executive Director, Michael Beck, and Executive Chairman and Chief Executive Officer, James Tsiolis. Mr Beck was appointed as the Chairman of the Committee and was not the Chairman of the Board.

From April 2020 until 30 June 2020, the Audit Committee was comprised of independent non-executive Directors Bruce Rathie and Grant Thomson. Mr Rathie was appointed as the Chairman of the Committee and is not the Chairman of the Board.

Given the size of the Board, the Company did not consider it necessary that the Audit and Risk Committee comprise three members, and considers that the composition of its Audit and Risk Committee was sufficient to allow it to carry out its duties in accordance with its Charter.

The joint Audit and Risk Committee is responsible for carrying out the duties and responsibilities set out in the joint Audit and Risk Committee Charter, a copy of which is available on the Company's website.

The relevant qualifications and experience the members of the joint Audit and Risk Committee are set out in the Directors Report section of the 2020 Annual Report.

Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are also set out in the Directors Report section of the 2020 Annual Report.

Recommendation 4.2

The Company complied with Recommendation 4.2 in full for the whole of the Reporting Period.

Prior to the execution of the financial statements of the Company, the Company's Board received the relevant written assurances that the declarations provided in accordance with section 295A of the Corporations Act are founded on a sound system of risk management and internal control which is operating effectively in all material aspects in relation to the Company's financial reporting risks.

Recommendation 4.3

The Company complied with Recommendation 4.3 in full for the whole of the Reporting Period.

At the Company's Annual General Meeting held on 27 November 2019, a representative of the Company's audit firm, BDO, was present and available to answer questions from security holders relevant to the audit.

Principle 5: Make timely and balanced disclosure

Recommendation 5.1

The Company complied with Recommendation 5.1 in full for the whole of the Reporting Period.

The Company is committed to:

- a) ensuring that shareholders and the market are provided with full and timely information about its activities;
- b) complying with the continuous disclosure obligations contained in the Listing Rules and the applicable sections of the Corporations Act; and
- c) providing equal opportunity for all stakeholders to receive externally available information issued by the Company in a timely manner.

The Company has adopted a Continuous Disclosure Policy, which is disclosed on the Company's website. The Continuous Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate governance policies and procedures and is available to all staff.

Principle 6: Respect the rights of security holders

Recommendation 6.1

The Company complied with Recommendation 6.1 in full for the whole of the Reporting Period.

Shareholders can access information about the Company, its operations and its governance (including its Constitution and adopted governance policies) from the Company's website at www.netlinkz.com.

Recommendation 6.2

The Company complied with Recommendation 6.2 in full for the whole of the Reporting Period.

The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors which is available on the Company's website. The Strategy outlines a range of ways in which information is communicated to shareholders, including via:

- a) ASX announcements;
- b) general meetings; and
- c) the Company website;

In addition to the above, Shareholders can email or call the Company, via the Company Secretary, Investor Relations Liaison or Share Registry to seek further information to assist them in exercising their rights as Shareholders.

Recommendation 6.3

The Company complied with Recommendation 6.3 in full for the whole of the Reporting Period.

The Board encourages full participation of Shareholders at meetings to ensure a high level of accountability and identification with the Company's strategies and goals. Shareholders are encouraged to participate at all general meetings of the Company by written statement contained in every notice of meeting sent to shareholders prior to each meeting.

The Company also accommodates shareholders who are unable to attend general meetings in person by accepting votes by proxy.

Further, any material presented to shareholders at a shareholders meeting is released to the ASX immediately prior to the commencement of the meeting, for the benefit of those shareholders who are unable to attend in person. The Company also announces to the ASX the outcome of each meeting immediately following its conclusion.

At each general meeting, shareholders are given an opportunity to ask questions in relation to the resolutions put to shareholders at that meeting, and in respect of the Company's business and operations generally. At each annual general meeting, shareholders are also invited to ask questions of the Company's external auditor and the Board in relation to the annual financial report of the Company.

Recommendation 6.4

The Company complied with Recommendation 6.4 in full for the whole of the Reporting Period.

Shareholders are given the option to receive communications from, and send communication to, the Company and its share registry electronically. To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and relevant contact details (via the Company's website) for shareholders to make their enquiries.

Principle 7: Recognise and manage risk

Recommendation 7.1

The Company complied with Recommendation 7.1 in full for the whole of the Reporting Period.

For the period 1 July 2019 to February, 2020, due to the size of the Board, the Company did not have a separate risk committee, and the responsibilities of the risk committee as set out in the then current Audit and Risk Committee Charter were carried out by the full Board.

In February, 2020, the Company established a joint Audit and Risk Committee, comprised of independent non-executive Director, Michael Beck, and Executive Chairman and Chief Executive Officer, James Tsiolis. Mr Beck was appointed as the Chairman of the Committee and was not the Chairman of the Board.

From April 2020 until 30 June 2020, the Risk Committee was comprised of independent non-executive Directors Bruce Rathie and Grant Thomson. Mr Rathie was appointed as the Chairman of the Committee and is not the Chairman of the Board.

Given the size of the Board, the Company did not consider it necessary that the Audit and Risk Committee comprise three members, and considers that the composition of its Audit and Risk Committee was sufficient to allow it to carry out its duties in accordance with its Charter.

The joint Audit and Risk Committee is responsible for carrying out the duties and responsibilities set out in the joint Audit and Risk Committee Charter, a copy of which is available on the Company's website.

The relevant qualifications and experience of the members of the joint Audit and Risk Committee are set out in the Director Report section of the Company's 2020 Annual Report.

Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are also set out in the Directors Report section of the 2020 Annual Report.

Recommendation 7.2

The Company did not comply with Recommendation 7.2 in full for the whole of the Reporting Period.

The Company's process for risk management and internal compliance is set out in its Risk Management Policy and includes a requirement for the Board and/or the Audit and Risk Committee to regularly review the Company's risk management framework to satisfy itself that it continues to be sound, to determine

whether there have been any changes in the material business risks the Company faces, and to ensure that the Company is operating within the risk appetite set by the Board.

Arrangements put in place by the Board to monitor risk management include, but are not limited to:

- a) maintenance of a risk matrix;
- b) monthly reporting to the Board in respect of operations and the financial position of the Company; and
- c) the preparation of quarterly rolling forecasts.

Whilst a formal review of the Company's risk management framework was not undertaken by the Audit and Risk Committee, the full Board regularly reviews and considers risk on an ongoing basis within its regular board meetings and in consultation with management.

Recommendation 7.3

The Company complied with Recommendation 7.3 in full for the whole of the Reporting Period.

Due to the size and nature of the Company's operations, the Company does not consider it necessary to establish a formal internal audit committee at this stage. The effectiveness of the Company's risk management and internal control processes is subject to annual review by the Audit and Risk Committee, with the assessment of whether the Company needs an internal audit committee being made having regard to feedback from the Company's finance team, CFO and auditors.

Recommendation 7.4

The Company complied with Recommendation 7.4 in full for the whole of the Reporting Period.

The Company's Risk Management Policy details the Company's risk management system which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (where appropriate).

The Company does not have any material exposure to environmental sustainability risk or social sustainability risk.

The Company's economic sustainability risk relates primarily to the ongoing funding and capitalisation of the Company and its ability to continue as a going concern. The nature of this risk is highlighted at Note 1 of the 2020 Annual Report which sets out the basis for the Board's assessment of the Company's going concern.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1

The Company complied with Recommendation 8.1 in full for the whole of the Reporting Period.

For the period 1 July 2019 to May, 2020, due to the size of the Board, the Company did not have a separate remuneration committee, and the responsibilities of the remuneration committee as set out in the then current Remuneration and Nomination Committee Charter were carried out by the full Board.

In May 2020, the Company established a joint Remuneration and Nomination Committee, comprised of two independent, non-executive Directors, being Mr Grant Thomson and Mr Bruce Rathie. Mr Thomson was appointed as the Chairman of the Committee and was not the Chairman of the Board.

Given the size of the Board, the Company did not consider it necessary that the Remuneration and Nomination Committee comprise three members, and considered that the composition of its Remuneration and Nomination Committee was sufficient to allow it to carry out its duties in accordance with its Charter.

The joint Remuneration and Nomination Committee is responsible for carrying out the duties and responsibilities set out in the joint Remuneration and Nomination Committee Charter, a copy of which is available on the Company's website.

The relevant qualifications and experience of the members of the joint Remuneration and Nomination

Committee are set out in the Director Report section of the Company's 2020 Annual Report.

Details of the number of times the Committee met during the reporting period and the individual attendances of each of the members are also set out in the Directors Report section of the 2020 Annual Report.

Recommendation 8.2

The Company complied with Recommendation 8.2 in full for the whole of the Reporting Period.

Disclosure of the Company's policies and practices regarding the remuneration of Non-executive Directors and the remuneration of Executive Directors and other senior employees are set out separately in the Remuneration Report section of the Company's 2020 Annual Report and in the Company's Remuneration Policy.

Recommendation 8.3

The Company complied with Recommendation 8.3 in full for the whole of the Reporting Period.

In accordance with the Security Trading Policy, participants in the Company's Employee Incentive Plan are prohibited from entering into transactions which 'hedge' the risk of any fluctuation in the value of any unvested entitlement in the Company's securities.