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Raisama Limited
Corporate governance statement

The Board is responsible for the overall corporate governance of the Company and acknowledges, as a guiding principle, that it will at all times act ethically, honestly and in accordance with the law, with a view to creating sustainable value for its Shareholders.

The Board endorses the Corporate Governance Principles and Recommendations (2nd edition) (**ASX Recommendations**) as published by the ASX Corporate Governance Council and has adopted corporate governance charters and policies reflecting those ASX Recommendations, to the extent appropriate having regard to the size and circumstances of the Company.

Copies of Raisama's corporate governance policies and charters are available on the Company's website at www.raisama.com.au.

Composition of the Board

The Board currently comprises David Berrie as Executive Chairman, Jeff Steketee as Managing Director, Jim Durrant as Technical Director and Matthew Howison, Chris Reindler and Guy Cowan as Non-executive Directors.

The Constitution requires a minimum of three and a maximum of ten Directors. The number of Directors may be varied, pursuant to the provisions of the Constitution, but the minimum number of Directors must not be less than three.

The relevant provisions in the Constitution and the Corporations Act determine the terms and conditions relating to the appointment and termination of Directors. Directors, other than the Managing Director, are subject to re-election by rotation every three years.

Board Charter

The Company has established the functions reserved to the Board and has set out these functions in its Board Charter. The Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

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The Company has established the functions delegated to senior executives and has set out these functions in its Board Charter. Senior executives are responsible for supporting the Managing Director and to assist the Managing Director in implementing the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Senior executives are responsible for reporting all matters which fall within the Company's materiality thresholds at first instance to the Managing Director or, if the matter concerns the Managing Director, then directly to the Chair or the lead independent director, as appropriate.

Corporate Code of Conduct

The Board has established a Corporate Code of Conduct (**Code**), a copy of which is available on the Company's website. The Code requires Directors, senior management, employees and, where possible, consultants of the Company to adhere to the law and various policies of the Company referred to in the Code when dealing with each other, Shareholders and the broader community.

The Code sets out the Company's policies on various matters, including conflicts, fair trading, Company assets and property, privacy and confidential information, occupational health and safety, employment practices and gifts and entertainment.

The Code also outlines the procedure for reporting any breaches of the Code and the possible disciplinary action the Company may take in respect of any breaches.

A copy of the Code of Conduct is available on the Company's website at www.raisama.com.au.

Board appointment and composition

The Company has adopted a policy for the selection and appointment of new Directors. It is the Board's policy that it will move to a majority of independent non-executive Directors once suitable candidates are identified and the Company's circumstances otherwise allow.

Securities Trading Policy

The Board has adopted a Securities Trading Policy that sets out the circumstances which the Company's Directors and employees may deal in the Company's securities and the restrictions on such dealings. The Company's Securities Dealing Policy complies with Listing Rule 12.9.

A copy of the Securities Trading Policy is available on the Company's website at www.raisama.com.au.

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Audit and Risk Management Committee

The Company has established an Audit and Risk Management Committee. The primary responsibilities of the Audit and Risk Management Committee as listed in the Audit and Risk Management Committee Charter are:

- overseeing the financial reporting process on behalf of the Board;
- overseeing Raisama's relationships with its external auditor and the external audit function generally; and
- monitoring the adequacy and effectiveness of accounting and financial controls, including the Company's policies and procedures to assess, monitor and manage business risk and legal and ethical compliance programs.

The Audit and Risk Management Committee will comprise at least 3 members. As and when the Company's circumstances permit, the committee will comprise a majority of independent directors. The current members of the committee are: Guy Cowan, Chairman, Matthew Howison and Jeff Steketee.

A copy of the Audit and Risk Management Committee Charter is available on the Company's website at www.raisama.com.au.

Continuous Disclosure Policy

The Company is required to comply with Chapter 3 of the Listing Rules and section 674 of the Corporations Act to keep the market fully informed of information which is not generally available and which may have a material effect on the price or value of the securities.

The Company is committed to observing its disclosure obligations under the Corporations Act and its obligations under the Listing Rules. All relevant information provided to ASX will be posted on the Company's website.

The Company has adopted a Continuous Disclosure Policy which establishes procedures to ensure that Directors and management are aware of and fulfil their obligations in relation to the timely disclosure of information to the market under the Listing Rules and the Corporations Act.

A copy of the Continuous Disclosure Policy is available on the Company's website at www.raisama.com.au.

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Communications Policy

The Company has adopted a Communications Policy. The Communications Policy outlines the processes through which the Company will endeavour to ensure timely and accurate information is provided equally to all Shareholders and the broader market.

The Company supports Shareholder participation in general meetings and mechanisms for enabling Shareholder participation will be reviewed regularly to encourage the highest level of Shareholder participation.

A copy of the Communications Policy is available on the Company's website at www.raisama.com.au.

Exceptions to ASX Recommendations

The Company sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practice departs from the ASX Recommendations, to the extent that they are currently applicable to the Company.

ASX Recommendations 1.2 and 2.5 (Process for evaluation)

The Company does not have in place a formal process for evaluation of the Board, individual Directors and senior executives. Given the current size of the Board and the nature of the Company's activities, the Directors do not consider the establishment of a formal performance evaluation strategy to be necessary at present.

Performance evaluation is a discretionary matter for consideration by the entire Board and, in the normal course of events, the Board will review performance of management, Directors and the Board as a whole.

ASX Recommendation 2.1 (Independent Directors)

At present, the Board does not comprise a majority of independent directors. Mr Cowan is the only Director classified as independent. Given the size and scope of the Company's operations and stage of its development, the Directors do not consider this is to be inappropriate.

The Board considers that it has the relevant experience in the uranium exploration and oil & gas industry, and is appropriately structured, to discharge its duties in a manner that is in the best interests of the Company and its Shareholders from both a long-term strategic and operational perspective.

The Board intends to appoint further independent non-executive directors as suitably qualified candidates are identified and the size and scale of the Company's operations develop.

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ASX Recommendation 2.4 (Nomination Committee)

Given the size and the scope of the Company's operations, the Directors do not consider it necessary for the Company to have a separate nomination committee at present. The full Board considers the matters and issues that would fall to the nomination committee. The Board considers that at this stage, no efficiencies or other benefits would be gained by establishing a separate nomination committee.

The Board intends to reconsider the requirement for and the benefit of a separate nomination committee as the Company's operations develop.

ASX Recommendation 3.2, 3.3 and 3.4 (Diversity policy)

The ASX Corporate Governance Council has recently released changes to Principle 3 of the ASX Recommendations in relation to diversity. The changes aim to provide greater transparency of the processes adopted to support and encourage gender diversity in organisations. One of these measures involves adopting and disclosing a diversity policy, with measurable objectives for achieving gender diversity. The proposed changes will apply to all listed companies from their first financial year commencing after 1 January 2011. The Company will be in a position to report on the ways it is considering implementing strategies to address these requirements in its 2011 Annual Report.

ASX Recommendation 4.2 (Composition of Audit and Risk Management Committee)

ASX Recommendation 4.2 recommends that an audit committee should be structured so that it:

- consists only of non-executive directors;
- consists of a majority of independent directors;
- is chaired by an independent chair, who is not chair of the Board; and
- has at least three members.

Given the current size of the Board and the scope of the Company's operations, the Board considers it impractical for the Company to comply with ASX Recommendation 4.2. However, the Board considers the composition of the Audit and Risk Management Committee will be sufficient to enable it to properly discharge its duties.

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ASX Recommendation 8.1 (Remuneration Committee)

The Company has not established a separate remuneration committee and does not have a formal remuneration policy in place.

The role of remuneration committee is undertaken by the full Board. The Board considers that given the current size of the Company and the Board no efficiencies or other benefits would be gained by establishing a separate remuneration committee.

As the size of the Company evolves, the Board will consider the appropriateness of forming a separate remuneration committee having regard to the ASX Recommendations. The Board has stated its responsibilities with respect to remuneration policies and practices in the Board Charter.