

**AUSTRALIAN GOLD INVESTMENTS LIMITED  
CORPORATE GOVERNANCE STATEMENT**

The Company is currently considering the ASX Corporate Governance Council Corporate Governance Principles and Recommendations to determine an appropriate system of control and accountability to best fit its business and operations. The Company seeks to follow the Recommendations for listed companies where appropriate for its size and operations. In cases where the Company determines it would be inappropriate to follow the principles because of its circumstances, the Company will provide reasons for doing so in its annual report.

The Board sets out below its "if not, why not" report in relation to those matters of corporate governance where the Company's practices depart from the recommendations.

<b>Principle Number</b>	<b>Notification of Departure</b>	<b>Explanation for Departure</b>
2.1, 2.2	No majority of independent Directors including the Chair	<p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of a majority of independent non-executive Directors.</p> <p>The Board believes that the individuals on the Board can make, and do make, quality and independent judgements in the best interests of the Company on all relevant issues. Directors having a conflict of interest in relation to a particular item of business must absent themselves from the Board meeting before commencement of discussion on the topic.</p> <p>The Company's Executive Chair, Ms Pnina Feldman, is considered by the Board not to be independent in terms of the ASX Corporate Governance Council's definition of independent director. However, the Board believes that the Chair is able and does bring quality and independent judgement to all relevant issues falling within the scope of the role of the Chair.</p> <p>Additionally, Mr Sholom Feldman is not considered by the Board to be independent in terms of the ASX Corporate Governance Council's definition of an independent director.</p>

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<b>Principle Number</b>	<b>Notification of Departure</b>	<b>Explanation for Departure</b>
4.1, 4.2, 4.3	A separate audit committee has not been formed.	The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, the integrity of financial reporting, the identification and management of risk and review of the operation of the internal control systems.
8.1	A separate remuneration committee has not been established.	The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee. The Board as a whole is responsible for the remuneration arrangements for Directors and executives of the Company and considers it more appropriate to set aside time at Board meetings each year to specifically address matters that would ordinarily fall to a remuneration committee.

Copies of the corporate governance policies will be posted on the Company's website [www.agil.com.au](http://www.agil.com.au).