



Review of Corporate Governance 2005 – 2006

Appendix 0606.4G

The following list covers some of the more important aspects of the 10 Principles which imply at least annual review.

Principle		Objective	Action	Annual Review
1	Foundations for Management & Oversight	Board develops strategies, reviews strategic objectives & monitors performance against those objectives.	Has the Board considered its strategic & medium term position. Has the Board identified the business risks & implemented actions to manage those risks.	Satisfactory for CML's size
2	Structure of the Board	Board needs an effective composition, size & commitment to adequately discharge its responsibilities.	The Board should regularly assess the independence of each director in the light of interests disclosed by them. The Board should regularly review the composition of the Board (skills, experience & expertise) & its own performance.	Satisfactory for CML's size
3	Ethical & Responsible Decision Making	Company needs to clarify the standards of ethical behaviour & encourage observance.	The codes of conduct will to be drafted and regularly reviewed to ensure they reflect the highest standards of behaviour & professionalism.	Codes to be drafted Satisfactory for CML's size
4	Safeguard Integrity in Financial Reporting	Review & consideration of the accounts by the audit committee.	Prepare schedule to comply with external audit requirements & ASX & ASIC timetables.	Satisfactory for CML's size
5	Continuous Disclosure	At each Board meeting, continuous disclosure is discussed.		Policy satisfactory for CML's size
6	Communication with Shareholders	Design & disclose a communications strategy.		Satisfactory for CML's size
7	Recognise & Manage Risk	Establish a sound system of risk oversight & management & internal control.	Review at least annually the role of & accountability of Board, audit committee & management in relation to: - Material risk - Internal controls	Satisfactory for CML's size
8	Encourage Enhanced Performance	Disclose the process for performance evaluation of the Board, its committees, individual directors & key executives.	The Board should take responsibility for evaluating the Board's performance.	Satisfactory for CML's size



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9	Remunerate Fairly & Responsibly	Ensure the level & composition of remuneration is sufficient & reasonable & that its relationship to corporate & individual performance is defined.	The Board should take responsibility for remuneration of directors within aggregate limits approved by shareholders.	No change since prospectus Satisfactory for CML's size
10	Recognise the Legitimate Interest of Stakeholders	Establish code of conduct.	Covering: <ul style="list-style-type: none"> - Responsibilities to shareholders - Occupational health & safety - Securities trading - Conflicts of interest - Environmental protection - Privacy policy And how the company monitors & ensures compliance with the code.	Certain policies yet to be drafted Satisfactory for CML's size and present situation