Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity

Blue Energy Limited

ABN/ARBN

14 054 800 378

Financial year ended:

30 June 2021

Our corporate governance statement[1] for the period above can be found at:[2]

☐ These pages of our annual report:

X This URL on our website: www.blueenergy.com.au

The Corporate Governance Statement is accurate and up to date as at 22 September 2020 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.[3]

Date:	30 September 2021
Name of authorised officer authorising lodgement:	Stephen Rodgers

[1] "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

[2] Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

[3] Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

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ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (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.	X and we have disclosed a copy of our board charter at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (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.	X	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	X	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	X	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

[4] Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with "*insert location*" underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert "our corporate governance statement". If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg "pages 10-12 of our annual report"). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg "www.entityname.com.au/corporate governance/charters/").

[5] If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) 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. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	X and we have disclosed a copy of our diversity policy at: https://blueenergy.com.au/corporate-governance and we have disclosed the information referred to in paragraph (c) at: https://blueenergy.com.au/corporate-governance and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	X and we have disclosed the evaluation process referred to in paragraph (a) at: https://blueenergy.com.au/corporate-governance and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	X and we have disclosed the evaluation process referred to in paragraph (a) at: https://blueenergy.com.au/corporate-governance and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee 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 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.	☐ *[If the entity complies with paragraph (a):]* and we have disclosed a copy of the charter of the committee at: …… [*insert location*] and the information referred to in paragraphs (4) and (5) at: …… [*insert location*] *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have a nomination committee and the processes we employ 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 at: https://blueenergy.com.au/corporate-governance	X set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	X and we have disclosed our board skills matrix at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation 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 or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	X and we have disclosed the names of the directors considered by the board to be independent directors at: https://blueenergy.com.au/corporate-governance and, where applicable, the information referred to in paragraph (b) at: https://blueenergy.com.au/corporate-governance and the length of service of each director at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
2.4	A majority of the board of a listed entity should be independent directors.	☐	X set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☐	X set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	X	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	X and we have disclosed our values at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	X and we have disclosed our code of conduct at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	X and we have disclosed our whistleblower policy at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	X and we have disclosed our anti-bribery and corruption policy at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity 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; (4) the relevant qualifications and experience of the members of the committee; and (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 (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.	☐ *[If the entity complies with paragraph (a):]* and we have disclosed a copy of the charter of the committee at: https://blueenergy.com.au/corporate-governance and the information referred to in paragraphs (4) and (5) at: https://blueenergy.com.au/corporate-governance *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at: …… [*insert location*]	X set out in our Corporate Governance Statement
4.2	The board of a listed entity 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.	X	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	X	☐ set out in our Corporate Governance Statement

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	X and we have disclosed our continuous disclosure compliance policy at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	X	☐ set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	X	☐ set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	X and we have disclosed information about us and our governance on our website at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	X	☐ set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	X and we have disclosed how we facilitate and encourage participation at meetings of security holders at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	X	☐ set out in our Corporate Governance Statement

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	X	☐ set out in our Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity 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.	☐ *[If the entity complies with paragraph (a):]* and we have disclosed a copy of the charter of the committee at: https://blueenergy.com.au/corporate-governance and the information referred to in paragraphs (4) and (5) at: set out in our Corporate Governance Statement at https://blueenergy.com.au/corporate-governance *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at: …….. [*insert location*]	X set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	X and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement

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7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (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 governance, risk management and internal control processes.	☐ *[If the entity complies with paragraph (a):]* and we have disclosed how our internal audit function is structured and what role it performs at: …… [*insert location*] *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: set out in our Corporate Governance Statement at https://blueenergy.com.au/corporate-governance	X set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	X and we have disclosed whether we have any material exposure to environmental and social risks at: https://blueenergy.com.au/corporate-governance and, if we do, how we manage or intend to manage those risks at: set out in our Corporate Governance Statement	☐ set out in our Corporate Governance Statement

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee 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 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.	☐ *[If the entity complies with paragraph (a):]* and we have disclosed a copy of the charter of the committee at: …… [*insert location*] and the information referred to in paragraphs (4) and (5) at: …… [*insert location*] *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: https://blueenergy.com.au/corporate-governance	X set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	X and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (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 (b) disclose that policy or a summary of it.	X and we have disclosed our policy on this issue or a summary of it at: https://blueenergy.com.au/corporate-governance	☐ set out in our Corporate Governance Statement **OR** ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

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ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	☐ and we have disclosed information about the processes in place at: …… [*insert location*]	☐ set out in our Corporate Governance Statement **OR** X we do not have a director in this position and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	☐	☐ set out in our Corporate Governance Statement **OR** X we are established in Australia and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	☐	☐ set out in our Corporate Governance Statement **OR** X we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	*Alternative to Recommendation 1.1 for externally managed listed entities:* The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	☐ and we have disclosed the information referred to in paragraphs (a) and (b) at: …….. [*insert location*]	☐ set out in our Corporate Governance Statement

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Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
-	*Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	☐ and we have disclosed the terms governing our remuneration as manager of the entity at: …….. [*insert location*]	☐ set out in our Corporate Governance Statement

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To ensure the Company operates effectively and in the best interests of shareholders, having regard to the nature of the Company's activities and its size, the Board for the period ending 30 June 2021 has adopted the Fourth Edition of the Corporate Governance Principles and Recommendations (Principles) issued by the ASX Corporate Governance Council, subject to the exceptions noted below.

The Company believes that during the reporting period ending 30 June 2021 its practices are largely consistent with those of the Fourth Edition Principles and where they do not follow a recommendation this statement identifies those that have not been followed and details if a reason for non-adherence is provided. Even where there is a deviation from the Principles the Company continues to review and update its policies and practices in order that it keeps abreast of the growth of the Company, the broadening of its activities, current legislation and good practice.

Blue Energy has a vision to become Australia's leading mid-sized oil and gas exploration and production company and to continue to build the 3P reserve base to 3TCF whilst growing a liquids portfolio from within our 100% held acreage. It conducts itself in a manner that values safety, respect, ingenuity and teamwork.

The charters and policies of the Company as referenced through this Statement that are designed to promote these values and high standards of governance can be viewed on Blue Energy's website at: www.blueenergy.com.au

This Corporate Governance statement reports on the main practices of Blue Energy and is current as of 22 September 2021 and has been approved by the Board of Directors.

Principles and Recommendations	Adoption Yes/No	If not, Explanation Provided
Principle 1 – Lay Solid Foundations for Management and Oversight		
Recommendation 1.1 - Companies should disclose the roles and responsibilities of their board and management, those expressly reserved to the board and those delegated to management. The Board has a dedicated Charter, that addresses the recommendations contained in the Fourth Edition of the Principles.	Yes	
Recommendation 1.2 - Companies should undertake appropriate checks prior to the appointment or election of a director and provide shareholders with information relevant to the election of a director.	Yes	
Recommendation 1.3 - Companies should have written agreements as to the appointment of directors and senior executives.	Yes	
Recommendation 1.4 – The Company Secretary should be accountable directly to the board, through the Chairman, as to the proper functioning of the board. Additionally, the Company Secretary can only be appointed or removed by the Board.	Yes	
Recommendation 1.5 – Companies should have and disclose a diversity policy setting measureable objectives for achieving gender diversity and annually assess and disclose the objectives and progress towards their achievement.	Yes	
Recommendation 1.6 – Companies should have and disclose processes for evaluating board, committee and director performance, and disclose any performance evaluation undertaken.	Yes	
Recommendation 1.7 - Companies should have and disclose processes for evaluating senior executive performance and disclose any performance evaluation undertaken.	Yes	
Principle 2 – Structure the Board to Add Value		
Recommendation 2.1 - The board should establish a nomination committee of at least three non-executive directors (the majority being independent), chaired by an independent director, not being the chairman, and disclose the committee charter, qualifications and experience of the committee members and the frequency and attendees of the committee's meetings. If not, companies should disclose their processes that ensure board succession, skills, knowledge, experience, independence and diversity.	No	Yes
Recommendation 2.2 - Companies should have and disclose a board skills matrix setting out the mix of skills and diversity available to the Board	Yes	
Recommendation 2.3 - Companies should disclose their independent directors, any interest, position, or association that the Board considers does not compromise independence, and why, and the length of each director's service.	Yes	
Recommendation 2.4 - A majority of the Board should be independent directors.	No	Yes
Recommendation 2.5 - Companies should have an independent director as Chairman who should not also hold the position of CEO.	No	Yes

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Principles and Recommendations	Adoption Yes/No	If not, Explanation Provided
Recommendation 2.6 - Companies should have an induction program for new directors and provide professional development opportunities for directors to ensure that they maintain the skills and knowledge to perform their roles.	Yes	
Principle 3 – Act Ethically and Responsibly		
Recommendation 3.1 - Companies should establish a code of conduct and disclose the code or a summary of the code	Yes	
Recommendation 3.2 – A Listed entity should have and disclose a code of conduct for its directors, senior executives and employees and ensure that the board or a committee of the Board is informed of any material breaches of that code.	Yes	
Recommendation 3.3 – Companies should have and disclose a whistleblower policy and ensure that the board or a committee of the Board is informed of any material incidents reported under that policy.	Yes	
Recommendation 3.4 – Companies should have an anti-bribery and corruption policy and ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Yes	
Principle 4 – Safeguard Integrity in Corporate Reporting		
Recommendation 4.1 - The board should establish an audit committee of at least three non-executive directors (the majority being independent), chaired by an independent director, not being the Chairman of the Company, and disclose the committee charter, qualifications and experience of the committee members and the frequency and attendees of the committee's meetings. At this stage, the makeup of the Board does not allow the Company to comply fully with this recommendation.	No	Yes
Recommendation 4.2 - Companies should prior to approval of financial statements receive from the CEO and CFO a declaration that financial records have been properly maintained, the financial statements comply with the accounting standards, give a true and fair view of the financial position based on sound risk management, and that internal controls are operating effectively.	Yes	
Recommendation 4.3 - Companies should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Yes	
Principle 5 – Make Timely and Balanced Disclosure		
Recommendation 5.1 - Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes	
Recommendation 5.2 – Companies should ensure that its Board receives copies of all materials announcements promptly after they have been made.	Yes	
Recommendation 5.3 – Companies that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Yes	
Principle 6 – Respect the Rights of Shareholders		
Recommendation 6.1 - Companies should provide information about themselves and their governance on their website.	Yes	
Recommendation 6.2 - Companies should design and implement an investor relations program to facilitate communication.	Yes	
Recommendation 6.3 – Companies should disclose their policies and processes to facilitate and encourage participation at shareholder meetings.	Yes	
Recommendation 6.4 – Companies should give shareholders the option to receive and send messages to the Company and its share registry electronically.	Yes	
Recommendation 6.5 – Companies should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	
Principle 7 – Recognise and Manage Risk		
Recommendation 7.1 - The board should establish a committee to oversee risk of at least three directors, the majority being independent, chaired by an independent director, and disclose the committee charter, committee members, and the frequency and attendees of the committee's meetings. At this stage, the makeup of the Board does not allow the Company to comply fully with this recommendation.	No	Yes
Recommendation 7.2 - The board or a board committee should review the company's risk management	Yes	

Principles and Recommendations	Adoption Yes/No	If not, Explanation Provided
framework annually as to soundness and disclose in relation to each reporting period whether the review has taken place.		
Recommendation 7.3 - Companies should disclose if they have an internal audit function how the function is structural and what role it performs, and if it does not have an internal audit function disclose that fact and the processes employed for evaluating and continually improving its risk management and internal control processes. The Board considers that an internal audit function is not necessary at this stage, given the current size and scope of the Company's operations.	No	Yes
Recommendation 7.4 - Companies should disclose if they have any material exposure to economic, environmental and social sustainability risks and if so, how it manages those risks.	Yes	
Principle 8 – Remunerate Fairly and Responsibly		
Recommendation 8.1 - The board should establish a remuneration committee of at least three directors, the majority being independent, chaired by an independent director, and disclose the committee charter, members of the committee and the frequency and attendees of the committee's meetings. No separate remuneration committee has been formed for Blue Energy as the Directors consider it appropriate, given the size of the Company, for such matters to be handled and determined at Board level. If the company does not have a remuneration committee that fact should be disclosed, and the processes employed for setting directors and senior executive remuneration and ensuring that remuneration is appropriate and not excessive.	No	Yes
Recommendation 8.2 – Companies should separately disclose their policies and practices for remuneration of non-executive and executive directors and senior executives.	Yes	
Recommendation 8.3 - Companies which have equity based remuneration schemes should have a policy on whether participants are permitted to enter transactions (such as derivatives or otherwise) which limit the economic risk of scheme participation, and disclose the policy or a summary.	Yes	

Principle 1 – Lay Solid Foundations for Management and Oversight

1.1 The role of the Board is to approve the strategic direction of the Company, guide and monitor the management of it its business and oversee the implementation of appropriate corporate governance with respect to the Company's affairs.

1.2 The Company has formalised the respective roles and responsibilities of the Board and Management, those reserved to the Board and those delegated to Management, in a Board Charter. The Board Charter is available on this website.

1.2 The Company has probity processes in place (in accordance with the Board Charter) to confirm the appropriateness of candidates for appointment and election as Directors. The findings of these processes are disclosed to shareholders when recommending a candidate for election as a Director. This process was adopted and applied during the reporting period for the appointment of Mark Hayward as a non-executive director.

1.3 The Company has written agreements (in accordance with the Board Charter) with each Director and Senior Executive setting out the terms of their appointment including their duties rights and responsibilities.

1.4 The Company Secretary (in accordance with the Board Charter) reports directly to the Board, through the Chairman, as to the proper functioning of the Board.

1.5 The Company has a Diversity Policy that sets measurable objectives for achieving gender diversity, assesses progress towards the achievement of those objectives and reports on that progress, and the make-up of its Board and Management by gender each reporting period. The Diversity Policy is available on this website. Given the size of the Company and the stage of its development, measurable objectives have not been adopted and is this regard the Company does not current comply with recommendation 1.5 in its entirety.

1.6 The Company has a process for periodically evaluating (in accordance with the Board Charter) its Board, Committee and Director performance and confirms annually that this evaluation has been completed during each reporting period.

1.7 The Company has under its MD/CEO Performance Evaluation Policy a process for periodically evaluating (in accordance with the Board Charter) its MD/CEO performance and discloses the results of that evaluation each reporting period. The MD/CEO Performance Evaluation Policy is available on this website.

The Company has established a formal process for evaluating the performance of senior executives which involves a performance and development review cycle where responsibilities and performance objectives are defined and regular feedback is provided through structured performance review meetings which are held in July each year. The performance of all senior executives is reviewed in accordance with this process.

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Principle 2 – Structure the Board to Add Value

2.1 A nomination committee has not been formed under recommendation 2.1. The Board as a whole considers the composition of the Board and appointment of new Directors, including the mix of skills, knowledge and experience required for the proper function of the Board. The Board identifies suitable candidates to fill vacancies as they arise.

A board performance evaluation program (in accordance with the Board Charter) has been designed to evaluate the performance of the Board as a whole, individual Directors and Board Committees on an annual basis. All evaluations have regard to the collective nature of board work, the operation of governance processes established in the Board Charter and the attainment of any goals set by the Board. Board evaluation is conducted at a number of levels using a combination of assessment questionnaires and face-to-face meetings.

The performance of the Board, individual Directors and Committees is reviewed in accordance with this process.

The Board has processes in place, in accordance with the Board Charter, for the development of a plan for the succession of the Chairman and periodically evaluates this plan.

The Company has a Diversity Policy that encourages the development of gender diversity at Board and Management levels.

The Board Charter, which includes the Company's criteria for independence of directors, and the Diversity Policy are both available on this website.

2.2 Blue Energy Limited – Board Matrix

DIRECTOR	GENDER	QUALIFICATIONS	SKILLS/ KNOWLEDGE	EXPERIENCE BASED ON SKILLS/KNOWLEDGE					INDEPENDENT
				Corporate Management	Accountancy	Public Sector Audit	Geology		
							Exploration	Production	
John Ellice-Flint (Chairman)	Male	BSc (Hons) Harvard AMP	Corporate Management / Geology	✓			✓	✓	No
John Phillips (CEO/MD)	Male	BSc (Hons) GAICD	Corporate Management / Geology	✓			✓	✓	No
Rodney Cameron	Male	B Admin (Hons) MBA MFM FAICD FCPA	Corporate Management / Accountancy	✓	✓				Yes
Karen Johnson	Female	B Comm FCA	Accountancy / Public Sector Audit		✓	✓			Yes
Mark Hayward	Male	B Bus (Acc) FCA MAICD	Corporate Management / Accountancy	✓	✓				Yes

2.3 The Board has had during the reporting period two independent Directors and two non-independent Directors. The Directors considered to be independent are:

Karen Johnson (Retired 10 November 2020)
Rodney Cameron
Mark Hayward (Appointed 16 February 2021)

The length of service of each is as follows:

Name	Position	Date Appointed	Date Ceased
John Ellice-Flint	Executive Chairman	05/04/2012	
John Phillips	Chief Executive Officer / Managing Director	28/06/2010	
Karen Johnson	Non-executive Director (Independent)	30/09/2011	10/11/2020
Rodney Cameron	Non-executive Director (Independent)	15/11/2011	
Mark Hayward	Non-executive Director (Independent)	16/02/2021	

2.4 Due to the size of the Company, there is not a clear majority of the Board who are independent directors. In this regard the Company does not comply with recommendation 2.4. Given the relative size of the Company, the interests of the shareholders represented on the Board and the stage of its development, the Directors consider the current Board composition as appropriate. The situation will be monitored and changed in line with best practice as and when the Directors feel the company is of sufficient size.

2.5 The Company has separate roles of Chairman and CEO/MD. The Company's Chairman is an Executive Chairman and as such is not an independent director. The Board believes that given Mr Ellice-Flint's vast executive and board experience in public companies, and specifically oil and gas companies, that Mr Ellice-Flint is best positioned to Chair the Company's Board of Directors. The Board believes that Mr Ellice-Flint appropriately discharges his duties as Chairman.

2.6 The Company has (in accordance with the Board Charter) procedures in place for the induction and orientation of new directors and also provides (in accordance with the Board Charter) Directors with professional development and continuing education and training opportunities from time to time to develop and maintain the knowledge needed to perform their roles effectively as Directors.

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Principle 3 – Act Ethically and Responsibly

3.1 Blue Energy's values are the guiding principles and basis for the culture of the organisation it aspires to be and expects from its directors and senior management. These values are interwoven into the positions and statements that Company makes in respect to Community & Ethics, Sustainability & Heritage, Vision/Mission/Strategy and its Corporate Governance Policies and Procedures. During the period under review the Company has adopted a statement detailing the values under which it operates. This statement appears on the Company website.

3.2 The Company has established a Code of Ethics which sets out the Company's key values and how they should be applied within the workplace and in dealings with those outside of the Company. The Code of Ethics is available on the Company's website.

3.3 The Company has in accordance with recommendation 3.3 a Whistle Blowers policy and has during the period under review also adopted a Anti-Bribery and Corruption Policy in compliance with recommendation 3.4. A copy of the Whistle Blowers policy and the Anti-Bribery and Corruption policy are available on the Company's website.

Principle 4 – Safeguard Integrity in Corporate Reporting

4.1 The Company has formed a Risk and Audit Committee consisting of two non-executive Directors both of whom are independent as defined by the ASX Corporate Governance Council's Principles. The Committee does not have three members as required by recommendation 4.1. The Board considers, given the size of the Company and the complexity of its operations and financial statements, that a Committee membership of two is currently sufficient to adequately discharge the Committee's functions. The Board does not believe that there would be any further benefit at this stage to appoint a third independent director to fulfil this role. The size and make-up of the Committee is periodically reviewed by the Board. The current members of the Risk and Audit Committee are:

Karen Johnson	Chairman, Independent Director (01/07/2020 – 10/11/2020)
Mark Hayward	Chairman, Independent Director (16/02/2021 – Present)
Rodney Cameron	Non-Executive Director, Independent Director

The qualifications, skills, experience and expertise of each committee member are detailed under Principle 2.2 of this Corporate Governance Statement and as detailed in the Directors Report included in the Annual Report for 2021 a copy of which can be located on the Company's website.

The Risk and Audit Committee formally reports to the Board after each of its meetings. Details of the number of meetings of the Risk and Audit Committee during each reporting period and attendance of members are set out in the Annual Report for 2021.

The external audit firm partner or an appropriate delegate responsible for the Company audit attends meetings of the Board and Audit Committee by invitation.

The Risk Oversight and Management Policy and the Risk and Audit Committee Charter, which includes information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners, are available on the Company's website.

4.2 The Risk and Audit Committee keeps minutes of its meetings and includes them for review at the following Board Meeting. The Risk and Audit Committee members' attendance at meetings as compared to total meetings held is set out in the Directors' Report contained in the Annual Report.

4.3 In compliance with Recommendation 4.2, the Company has in place a procedure whereby prior to approval of financial statements by the Board (in addition to any formal management representation letter to the Company's auditor) the CEO and CFO provide a declaration in accordance with Sections 286 and 295(3)(b) of the Corporations Act 2001 (Cth) that financial records have been properly maintained, the financial statements comply with the accounting standards, and give a true and fair view of the financial position based on sound risk management and internal controls operating effectively.

4.4 The Company has in place a procedure whereby it ensures that its external auditor attends its AGM, in accordance with the requirements of Section 250RA of the Corporations Act 2001 (Cth) and is available to answer questions relevant to the audit.

4.5 Recommendation 4.3 provides that a listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor. The only periodic finance-based reports that the Company releases each year are the full year and half year accounts along with the quarterly Appendix 5Bs. The half year and full year accounts are audited and signed off the Company's independent external auditors. While the Appendix 5Bs are prepared internally, they are done so utilising the same accounting principles and accounts on which the audited half year and full year accounts are prepared and released. These reports are also reviewed by Risk and Audit Committee members and the Board as a whole.

Principle 5 – Make Timely and Balanced Disclosure

5.1 The Company has adopted a continuous disclosure policy to ensure compliance with the continuous disclosure obligations under the ASX Listing Rules and the Corporations Act and to ensure all investors have equal and timely access to material information concerning the Company and that Company announcements are factual and presented in a clear and balanced way.

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5.2 The Company is committed to the promotion of investor confidence by ensuring that it meets its ASX reporting obligations and that trading in the Company's securities takes place in an informed market. In addition, there is an internal protocol that has been established involving the Executives of the Company, to arrange for the timely preparation and release of all announcements to the ASX. To ensure that Directors receive copies of all ASX announcements their emails have been recorded with the ASX email distribution list so that on an announcement being made an email confirming its release is independently sent to them by the ASX.

5.3 Presentations that are made to analysts or investors are posted on the Company's website. If the presentations contain information that has not previously been announced to ASX that could have a material effect on the share price, the presentation is released to the ASX before the presentation is delivered. In addition, the website contains a function to allow interested parties to subscribe to receive electronic notification of public releases and other relevant material concerning the Company.

In addition, all changes in Directors' interests in the Company's securities are promptly reported to the ASX in compliance with Section 205G of the *Corporations Act* and the ASX Listing Rules.

A summary and a copy of the Continuous Disclosure Policy is available on the Company's website, which details that all material announcements made to the market are circulated to the members of the Board.

Principle 6 – Respect the Rights of Shareholders

6.1 & 6.2 The Company has a Shareholder Communication Policy. Through this the Board aims to ensure that the shareholders are informed of the Company's governance and all major developments affecting the Company's state of affairs.

Through its shareholder communications, the Company aims to provide information that will allow existing shareholders, potential shareholders and financial analysts to make informed decisions about Blue Energy's value and to ensure that it meets its obligations under the ASX's continuous disclosure regime.

Information is communicated to shareholders through the:

- Company website;
- ASX Company Announcements platform;
- Quarterly Operations Reports;
- Half-year Report;
- Annual Report; and
- other correspondence regarding matters impacting on shareholders (in accordance with the Shareholder Communications Policy) as required.

6.3 & 6.4 The Board encourages (through the Shareholder Communication Policy) full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and association with the Company's strategy and goals, and also encourages the use of electronic communication with shareholders.

The Shareholder Communications Policy, designed to promote effective communication with shareholders, is available on the Company's website. Shareholders are encouraged to take advantage of the benefits of electronic communications by electing to receive communication from the Company and its share registry electronically.

In compliance with recommendation 6.4 and to ascertain the true intent of the Company's security holders the Board has decided that all resolutions at general meetings will be decided by poll.

Principle 7 – Recognise and Manage Risk

7.1 The Company has the Risk and Audit Committee to oversee risk. Details of this Committee are given under Principle 4 of this Statement. Given the Company's size and the scale and complexity of the potential risks it is exposed to it is considered that a committee consisting of two independent, non-executive directors is sufficient to adequately manage those potential risks. The Committee meets three times in each reporting period. During the 2020 – 2021 reporting period the Committee met three times. Ms Johnson attended the two meetings she was entitled to attend, Mr Hayward attended the one meeting he was entitled to attend while Mr Cameron attended all three meetings.

7.2 The Company has a Risk Oversight and Management Policy. In accordance with that Policy, the Company has an established enterprise risk management program upgraded in accordance with the International Risk Standard AS/NZS ISO 31000:2009. It also has an established internal control program based upon the principles set out in the Australian Compliance Standard AS 3806:2006.

The Company's enterprise risk management program addresses its material business risks. Each identified risk is individually assessed in terms of the likelihood of the risk event occurring and the potential consequences in the event that the risk event was to occur.

Management provides to the Risk and Audit Committee and the Board a report as to the overall effectiveness of the Company's management of its material business risks during each reporting period. Having completed this the Board concluded that on the basis of the information provided and the recommendations of the Risk and Audit Committee, the Board was satisfied that the risk management framework continues to be sound and robust enough to address the risks that face the Company.

In addition, for each reporting period the Board has receives a declaration from the CEO and the Executive Chairman that in their view:

- the declaration provided in accordance with section 295A of the Corporations Act 2001 is founded on a sound system of risk management and internal control; and
- the system of risk management and internal control, to the extent that they relate to financial reporting, are operating effectively and efficiently in all material respects.

7.3 The Company does not have an internal audit function. The Audit and Risk Committee discharges the function of evaluating and continually improving the effectiveness of its risk management and internal control processes, and in doing so is subject to the overall supervision of the Board.

7.4 Risks associated with economic, environmental and social sustainability matters have been included as part of the risk management register to ensure that they are continually being monitored and assessed.

7.5 A summary of the Company's Risk Oversight and Management Policy and risk management program is available on the Company's website. The Risk and Audit Committee's Charter is also available on this website.

Principle 8 – Remunerate Fairly and Responsibly

8.1 The Company does not have a dedicated Remuneration Committee but rather the task of ensuring that the level of director and executive remuneration is appropriate and not excessive, and that its relationship to performance is clear, is dealt with by the full Board. The Board Charter detailing this role is available on the Company's website.

8.2 The Company's Remuneration Policy as detailed in the Remuneration Report within the Annual Report for 20210 sets out its policies and practices regarding the remuneration of non-executive and executive directors and other senior executives. The Remuneration Policy is available on this website.

8.3 Under the Securities Trading Policy Senior executives and Directors are prohibited from entering into transactions in associated products (such as derivates or contracts for differences) which limit the economic risk of participating in unvested entitlements under any equity based remuneration packages, such as options and employee incentive rights. Further, all relevant personnel are prohibited from entering into margin loans arrangements to fund the acquisition of any of the Company's securities for from entering into arrangements whereby their securities in the Company are used as collateral. A copy of the Securities Trading policy is available on the Company's website.

Approved by the Board

22 September 2021

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