

NAMIBIAN RESOURCES PLC

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance. The UK Corporate Governance Code, published by the Financial Reporting Council, sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders, providing principles of good governance and a code of best practice for listed companies. The UK Corporate Governance Code does not apply to AIM companies. However, Shareholders expect companies in which they invest to be properly governed and tend to use the UK Corporate Governance Code as a starting point.

The Company's corporate governance procedures take due regard of the principles of good governance set out in the UK Corporate Governance Code having regard to the size and the stage of development of the Company. Nonetheless, the Company has not formally adopted any specific corporate governance code.

The Board has a responsibility to govern the Company rather than to manage it and in doing so act in the best interests of the Company as a whole. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director.

Responsibilities of the Board

The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day-to-day management is devolved to the Executive Directors who are charged with consulting the Board on all significant financial and operational matters.

Board of Directors

The Board of Directors currently comprises three Directors, two of whom are Executive Directors and a non-executive Chairman. No director works full time and no director currently receives remuneration.

The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the UK Corporate Governance Code have been implemented to an appropriate level. The Board, through the Chairman and the Executive Directors, maintains regular contact with its advisors in order to ensure that the Board develops an understanding of the views of major Shareholders about the Company.

All Directors have access to the advice of the Company's solicitors and its nominated adviser and broker. Necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively and all Directors have access to independent professional advice, at the Company's expense, as and when required.

Board meetings

The Board meets regularly throughout the year. Given the geographical spread of the Directors formal meetings are supplemented by meetings held by conference call, which normally take place weekly.

Board committees

The Company has established Audit and Remuneration Committees, with formally delegated duties and responsibilities.

Confidentiality

In accordance with legal requirements and agreed ethical standards, the Directors and senior staff and consultants have agreed to maintain confidentiality of non-public information except where disclosure is authorised or legally mandated.

Bribery

In accordance with the provisions of the Bribery Act, all Directors, staff and consultants have been informed and have acknowledged that it is an offence under the Act to engage in any form of bribery. The Directors have adopted appropriate procedures to ensure compliance with the Bribery Act 2010.

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Group and to ensure the reliability of financial information for both internal use and external publication.

Insurance

The Company has in force a Directors and Officers insurance policy.

Treasury policy

The Group finances its operations through equity and loans. The Group holds its cash as a liquid resource to fund the obligations of the Group. Decisions regarding the management of these assets are approved by the Board.

Securities trading and share dealing

The Board has adopted a Share Dealing Code which complies fully with the AIM Rules. Directors and any employee who is in possession of 'inside information' are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to 'close periods' preceding publication of financial results (usually two months prior to the publication of the interim and final audited accounts), trading can occur provided the relevant individual has received the appropriate prescribed clearance. All Directors and staff are required to advise and seek clearance from the Chairman, or other designated person, of any intended transaction in the Company's shares.

Relations with Shareholders

The Board recognises that it is accountable to Shareholders for the performance and activities of the Company and to this end is committed to providing effective communication with the Shareholders of the Company.

Significant developments are disseminated principally through regulatory announcements.

The Board views the Annual General Meeting as an important forum for communication between the Company and its Shareholders and encourages Shareholders to attend and express their views.