

RXP SERVICES LIMITED (ACN 146 959 917) (COMPANY)

Statement of Corporate Governance - 23 November 2011

This Statement sets out the Company's current compliance with the second edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2010 Amendments (**Principles** or **Recommendations**). This statement should be read with the statements made in the Prospectus and Supplementary Prospectus issued by the Company on 19 September 2011 and 31 October 2011 respectively (collectively **Prospectus**).

The Board is responsible for ensuring the existence of an effective corporate governance environment to safeguard the interests of the Company, its shareholders and other stakeholders. The Board considers that the Company generally complies with the Principles and, where the Company does not comply, this is primarily due to the current relative size of the Company and scale and nature of its current operations. Comments on compliance and departures are set out below.

The Company acknowledges that it is required to provide a statement in future annual reports disclosing the extent to which the Company has followed the Principles.

| | Recommendation | Compliance | Comment |
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| Principle 1: Lay solid foundations for management and oversight | | | |
| 1.1 | Establish the functions reserved to the board and those delegated to senior management and disclose those functions. | Complies | The Board has adopted a Board Charter which includes a comprehensive set of Board policies regarding Independence and Conflicts of Interest, Risk Management, Board Performance Evaluation, CEO Performance Evaluation, Continuous Disclosure and External Communications, Securities Trading, Audit Committee Charter, Diversity and Code of Conduct for Directors and Officers to assist them to discharge their corporate governance obligations. These will be available on the Company's website. The Board delegates responsibility for the day to day operations and running of the Company to Ross Fielding (Managing Director and Chief Executive Officer). |

| | Recommendation | Compliance | Comment |
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| 1.2 | Disclose the process for evaluating the performance of senior management. | Complies | The Board has adopted a Board Performance Evaluation Policy and CEO Evaluation Policy, which detail the procedure for the regular evaluation of the performance of the Board (including Directors and committees) and the CEO. These policies will be available on the Company's website. |
| 1.3 | Provide the information indicated in <i>Guide to reporting on Principle 1</i> . | Will comply | <p>The Company is compliant with Principles 1.1 and 1.2, and will comply with Principle 1.3.</p> <p>The Company will provide a statement in future annual reports disclosing any departure from the Principles in 1.1, 1.2 or 1.3. The Company will also include a statement as to whether a performance evaluation of senior executives has taken place in the reporting period in accordance with the Board policies.</p> <p>The relevant policies will be available on the Company's website.</p> |
| Principle 2: Structure the Board to add value | | | |
| 2.1 | A majority of the board should be independent Directors. | Complies | <p>Upon listing, the Company will have:</p> <ul style="list-style-type: none"> • two independent Directors, Mr Lloyd Roberts and Mr Kenneth Stout; and • one non-independent Director, Mr Ross Fielding. Mr Ross Fielding will not be independent in terms of the Principles as he is an executive and substantial shareholder of the Company. |
| 2.2 | The chairperson should be an independent Director. | Complies | The Chair is Mr Lloyd Roberts, who is an independent Director. |
| 2.3 | The roles of chairperson and chief executive officer should not be exercised by the same individual. | Complies | The Chair is Mr Lloyd Roberts. The Chief Executive Officer is Mr Ross Fielding. |

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| 2.4 | The board should establish a nomination committee. | Does not comply | <p>Whilst the ASX Principles suggest a committee be established comprising at least 3 directors, a majority of whom are independent, with an independent chair, they recognise that for smaller boards the same efficiencies may not be obtained through establishing a separate committee.</p> <p>As disclosed in section 4.3 of the Prospectus, the full Board will carry out the nomination function. The Board is comprised of two independent Directors and one non-independent Director. The nomination function is designed to ensure that the performance of the Board is reviewed and ensure that appropriate steps are taken for selection and appointment of appropriate candidates to the Board.</p> <p>Given the size, scale and nature of the Company's business, the Board does not consider the non-compliance with the ASX Principles to be materially detrimental to the Company.</p> <p>In addition, the Chair will regularly review the nomination function, and the corporate governance practices of the Company more generally, and where appropriate, will implement new practices having regarding to the ASX Principles and Recommendations.</p> |
| 2.5 | Disclose the process for evaluating the performance of the board, its committees and individual Directors. | Complies | <p>The Board has adopted a Board Performance Evaluation Policy to regularly evaluate the performance of the Board and determine how effectively the Board, the Directors and the Committees are fulfilling their roles and duties.</p> <p>The policy will be available on the Company's website.</p> |
| 2.6 | Provide the information indicated in <i>Guide to reporting on Principle 2</i> . | Will comply | <p>The material information has been disclosed in the Prospectus.</p> <p>The Company will provide a corporate governance statement in future</p> |

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| | | | <p>annual reports including the information required by the ASX Principles, including an explanation of any departures from the Principles in 2.1, 2.2, 2.3, 2.4, 2.5 or 2.6 in future annual reports.</p> <p>The Corporate Governance Charter, Code of Conduct and policies will be available on the Company's website.</p> |
| Principle 3: Promote ethical and responsible decision-making | | | |
| 3.1 | <p>Establish and disclose a code of conduct to guide the Directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to:</p> <p>(a) the practices necessary to maintain confidence in the company's integrity;</p> <p>(b) the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and</p> <p>(c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices</p> | Complies | <p>The Board has adopted a Board Charter incorporating various Board Policies that formalise the roles and responsibilities of the Board including a Code of Conduct for Directors and Officers. They will be available on the Company's website.</p> <p>The Charter and the Code of Conduct provide that the Directors will act honestly, with integrity and in the best interests of the Company and its shareholders.</p> |
| 3.2 | <p>Establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measureable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.</p> | Complies | <p>The Board has adopted a Diversity Policy in relation to gender, age, ethnicity and cultural diversity to promote a diverse environment.</p> <p>The policy will be available on the Company's website.</p> |
| 3.3 | <p>Disclose in each annual report the measureable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.</p> | Will comply | <p>The Board will disclose the measurable objectives for achieving gender diversity and the progress towards achieving them in each annual report.</p> |

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| 3.4 | Disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board. | Will comply | The Board will disclose the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board in each annual report. |
| 3.5 | Provide the information indicated in <i>Guide to reporting on Principle 3</i> . | Will comply | The Company will provide an explanation of any departures from the Principles in 3.1, 3.2, 3.3, 3.4 or 3.5 in future annual reports, and will make available the Code of Conduct and the Diversity Policy (or a summary of these documents) on its website. |

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| Principle 4: Safeguard integrity in financial reporting | | | |
| 4.1 | The Board should establish an audit committee. | Does not comply | <p>Whilst the ASX Principles suggest a committee be established comprising at least 3 members, only non-executive directors, a majority of whom are independent, with an independent chair who is not the chair of the Board, they recognise that for smaller boards the same efficiencies may not be obtained through establishing a separate committee.</p> <p>As disclosed in section 4.3 of the Prospectus, the full Board will carry out the audit function. However, the protocols adopted by the Board allow for a separate Audit Committee which operates under its own Audit Committee Charter. The Board is comprised of two independent Directors and one non-independent Director.</p> <p>All members of the Board are financially literate (ie able to read and understand financial statements) and have an understanding of the industry in which the Company operates. Mr Kenneth Stout is a qualified Chartered Accountant.</p> <p>Given the size, scale and nature of the Company's business, the Board does not consider the non-compliance with the ASX Principles to be materially detrimental to the Company.</p> <p>In addition, the Chair will regularly review the audit function, and the corporate governance practices of the Company more generally, and where appropriate, will implement new practices having regard to the ASX Principles and Recommendations.</p> |
| 4.2 | Structure the audit committee so that it consists of: <ul style="list-style-type: none"> • Only non-executive Directors; | Does not comply | Refer to comments in relation to Recommendation 4.1. |

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| | <ul style="list-style-type: none"> A majority of independent Directors; An independent chairperson, who is not chairperson of the Board; At least three members. | | |
| 4.3 | The audit committee should have a formal charter. | Complies | <p>The Board has adopted an Audit Committee Charter to assist with ensuring the integrity and reliability of information prepared for use by the Board, and the integrity of the Company's internal controls affecting the preparation and provision of that information in determining policies or for inclusion in the financial report. Further details of the role of the audit committee are set out in section 4.3 of the Prospectus.</p> <p>The Audit Committee Charter will be available on the Company's website.</p> |
| 4.4 | Provide the information indicated in <i>Guide to reporting on Principle 4</i> . | Will comply | <p>The Company will provide a corporate governance statement in future annual reports including the information required by the ASX Principles, which will include an explanation of any departures from the Principles in 4.1, 4.2, 4.3 or 4.4 in future annual reports.</p> <p>The Audit Committee Charter will be available on the Company's website.</p> |

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| Principle 5: Make timely and balanced disclosure | | | |
| 5.1 | Establish and disclose written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level of that compliance. | Complies | The Board has adopted a Continuous Disclosure and External Communications Policy so as to comply with its continuous disclosure obligations once listed. Details of the policy are contained in section 4.3 of the Prospectus. |
| 5.2 | Provide the information indicated in <i>Guide to reporting on Principle 5</i> . | Will comply | The Company will provide an explanation of any departures from the Principles in 5.1 or 5.2 in future annual reports. The Continuous Disclosure Policy will be available on the Company's website. |
| Principle 6: Respect the rights of shareholders | | | |
| 6.1 | Design and disclose a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings. | Will comply | The shareholder communications policy is contained within the Board Charter and Continuous Disclosure and External Communications Policy and is designed to ensure that shareholders are fully informed of all relevant developments. The Company intends to establish on its website a facility for all shareholder communications. |
| 6.2 | Provide the information indicated in <i>Guide to reporting on Principle 6</i> . | Will comply | The Company will provide an explanation of any departures from the Principles in 6.1 or 6.2 in future annual reports. The Board Charter will be available on the Company's website. |
| Principle 7: Recognise and manage risk | | | |
| 7.1 | The board or appropriate board committee should establish and disclose policies on risk oversight and management. | Complies | The Board has adopted a Risk Management Policy. Given the current size and operations of the Company the Board considers it in the shareholders interest for the Board as a whole to oversee and manage material business risks. |

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| | | | Formal risk management policies formulated by the Board from time to time will be available on the Company's website. |
| 7.2 | Require management to implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks. | Complies | The Board requires the Chief Executive Officer to design an approach to managing material business risks and its day to day implementation. The Board requires the Chief Executive Officer and the Chief Financial Officer to report to it as to the effectiveness of the Company's management of its material business risks. |
| 7.3 | The board should disclose whether it has received assurance from the CEO that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks. | Will comply | The Board requires the Chief Executive Officer and the Chief Financial Officer to provide such a statement on at least an annual basis. |
| 7.4 | Provide the information indicated in <i>Guide to reporting on Principle 7</i> . | Will comply | The Company will provide a statement in future annual reports including the information required by the ASX Principles, and an explanation of any departures from the Principles in 7.1, 7.2, 7.3 or 7.4 in future annual reports. Formal risk management policies formulated by the Board from time to time will be available on the Company's website. |
| Principle 8: Remunerate fairly and responsibly | | | |

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| 8.1 | The board should establish a remuneration committee. | Does not comply | The full Board will carry out the remuneration function as set out in section 4.3 of the Prospectus. See commentary in relation to Recommendation 8.2 for further details. |
| 8.2 | The remuneration committee should be structured so that it: <ul style="list-style-type: none"> • consists of a majority of independent directors; • is chaired by an independent chair; and • has at least three members. | Does not comply | <p>The full Board will carry out the remuneration function as set out in section 4.3 of the Prospectus. The Board is comprised of two independent Directors and one non-independent Director.</p> <p>The Board has adopted a Board Performance Evaluation Policy and CEO Performance Evaluation Policy.</p> <p>Whilst the ASX Principles suggest a remuneration committee comprising at least three Directors, a majority of whom are independent, with an independent chair, be established, they recognise that for smaller Boards the same efficiencies may not be obtained through establishing a separate committee.</p> <p>Given the size, scale and nature of the Company's business, the Board does not consider the non-compliance with the ASX Principles to be materially detrimental to the Company.</p> <p>In addition, the Chair will regularly review the remuneration function, and the corporate governance practices of the Company more generally, and where appropriate, will implement new practices having regard to the ASX Principles and Recommendations.</p> |
| 8.3 | Clearly distinguish the structure of non-executive Directors' remuneration from that of executives. | Complies | Information on remuneration is disclosed in sections 8.9 and 8.14 of the Prospectus. |
| 8.4 | Provide the information indicated in <i>Guide to reporting on Principle</i> | Complies | The Company will provide a statement in future annual reports including |

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| | 8. | | the information required by the ASX Principles and an explanation of any departures from the Principles in 8.1, 8.2, 8.3 or 8.4. The Board Charter and policies will be available on the Company's website. |