

Corporate Governance Statement

Croesus Mining NL (the Company) and the board are committed to achieving and demonstrating the highest standards of corporate governance. A review of the Company's corporate governance framework was completed in April 2008 in light of the best practice recommendations released by the Australian Stock Exchange Corporate Governance Council in March 2003 and revised in December 2007 and the reconstruction of the Company that was undertaken after the financial year ended 30 June 2007. In April 2008 the directors adopted a board charter setting out the guidelines and structures required for the operation of the Company. A copy of the board charter is available on the Company's website at www.croesus.com.au.

The directors are responsible to the shareholders for the performance of the Company in both the short and the longer term and seek to balance sometimes competing objectives in the best interests of the Company as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Company is properly managed.

Corporate Governance Compliance

During the financial period Croesus Mining NL has adopted and complied with the ASX Corporate Governance Principles and the corresponding Best Practice Recommendations to determine an appropriate system of control and accountability to best fit its business and operations commensurate with these guidelines.

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.

Principle 1 – Lay solid foundations for management and oversight

1.1 There is no delineation of functions between the board and senior executives.

All functions, roles and responsibilities are undertaken by the board as there are no executives other than directors as at the date of this report.

Principle 2 – Structure the board to add value

The Directors consider that the current structure and composition of the Board is appropriate to the size and nature of operations of the Company.

2.1 The Company does not have a majority of independent directors.

Consistent with the size of the Company and its activities, the board is comprised of four (4) directors, 2 of whom are considered executive directors.

The board's policy is that the majority of directors shall be independent, non-executive directors. The composition of the board does not currently conform to its policy due to the reconstruction of the Company undertaken during the financial year. It is the board's intention to comply with its policy at a time when the size of the Company and its activities warrants such a structure.

Corporate Governance Compliance (continued)

Principle 2 – Structure the board to add value (continued)

2.2 The chairman is not an independent director.

The chairman is one of the non-executive directors currently on the board and given the size and nature of operations of the Company this current status is considered appropriate. The board's policy is that the chairman shall be independent and non-executive at a time when the size of the Company and its activities warrants such a position.

2.4 A nomination committee has not been established.

The role of the Nomination Committee has been assumed by the full Board operating under the Nomination Committee Charter adopted by the Board.

Principle 4 – Safeguard integrity in financial reporting

4.1 The Company does not have an audit committee.

4.2 Given 4.1 the structure of the audit committee does not comply with the structure set out in the board charter adopted by the Company

The role of the Audit Committee has been assumed by the full Board operating under the Audit Committee Charter adopted by the Board. The board's charter calls for the establishment of committees to assist in the execution of its duties and to allow detailed consideration of complex issues. The current size of the Company and the scale of its activities allows all directors to participate fully in all decision making.

Principle 7 – Recognise and manage risk

All functions, roles and responsibilities with regard to risk oversight and management and internal control are undertaken by the board as a whole as there are no executives other than directors as at the date of this report.

The role of the Risk Management Committee has been assumed by the full Board operating under the Risk Management Committee Charter adopted by the Board.

The Company policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives.

Principle 8 – Remunerate fairly and responsibly

8.1 The Company does not have a Remuneration Committee.

The role of the Remuneration Committee has been assumed by the full Board operating under the Remuneration Committee Charter adopted by the Board. The current size of the Company and the scale of its activities allows all directors to participate fully in all decision making and the Directors consider this to be appropriate given the size and nature of operations of the Company.