

Mr I Tatkovich  
Listings Compliance  
ASX Compliance Pty Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Ivan

**Apollo Tourism & Leisure Ltd (Company) – Pre-Quotation Disclosures**

The Company provides the following information to the ASX for release as pre-quotation disclosures in connection with the Company's admission to the official list of ASX:

- (a) the share purchase agreement between the Company and Barmil Enterprises Pty Ltd ACN 121 841 405 as trustee for Lurk Investment Trust (**Barmil**) dated 6 October 2016 in relation to the acquisition of Apollo Motorhome Ultimate Holdings Pty Ltd completed on 28 October 2016;
- (b) the shares held by Barmil in the Company, being 94,960,000 fully paid ordinary shares, are subject to voluntary escrow for 24 months from the date of admission to the official list of ASX; and
- (c) a statement disclosing the extent to which the Company will follow, as at the date of its admission to the official list, the recommendations set out by the ASX Corporate Governance Council is included in Attachment A.

**ATTACHMENT A – CORPORATE GOVERNANCE STATEMENT**



# APOLLO TOURISM & LEISURE LTD ACN 614 714 742

## (Apollo or Company)

### CORPORATE GOVERNANCE STATEMENT

The governance measures adopted by the board of directors of Apollo (**Board**) reflect the Board's endorsement of the recommendations contained in the ASX Corporate Governance Council's Principles and Recommendations (3<sup>rd</sup> edition) (**Recommendations**). This Corporate Governance Statement discloses the extent to which Apollo complies with the Recommendations and if it does not, why not. The commentary addresses the reasons for any departure from the requirements and the following legend has been used to summarise the status of Apollo's compliance with the Recommendations.

Apollo complies with the Recommendation	✓
Apollo intends to comply with the Recommendation and will work towards compliance in the 2017 financial year	x
Apollo intends to monitor the Company's size and need in respect of the Recommendation	○

<b>Principle 1 – Lay solid foundations for management and oversight</b>		
1.1	The Board has outlined in its charter, its role and responsibilities and has established a clear distinction between its functions and those delegated to management.	✓
1.2	Appropriate checks including criminal record checks have been carried out on all Board members prior to their appointment. Apollo will provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director at future general meetings.	✓
1.3	All directors and senior executives have a written agreement with Apollo setting out the terms of their appointment.	✓
1.4	Apollo's secretary is accountable directly to the Board, through the Chairman on all matters to do with the proper functioning of the Board.	✓
1.5	The Board has adopted a Diversity Policy (a copy of which is on Apollo's website). The Diversity Policy requires the Board to set measurable objectives for obtaining gender diversity. The Board has not yet set measurable objectives but intends to review the diversity statistics with Apollo and use those measures to formulate measurable objectives.	✓
1.6	At least once per year the Board will, with the advice and assistance of the Nomination Committee, review and evaluate the performance of the Board, each Board committee and each individual director	✓

	against the relevant charters, corporate governance policies, and agreed goals and objectives. The requirement for these evaluations is set out in the Board Charter.	
1.7	Performance reviews for the Managing Director and senior management will take place at least annually. The Nomination Committee and the Remuneration Committee has accountability in its Charter to oversee these reviews and report to the Board on its outcomes. Apollo intends to ensure that appropriate disclosures in the remuneration report are made in relation to each reporting period as to the performance evaluations that were undertaken and the process that was followed.	✓
<b>Principle 2 – Structure the board to add value</b>		
2.1	The Board has formed a Nomination Committee. The charter for each of the Nomination Committee is available on Apollo's website. Membership of the Nomination Committee comprising: <ul style="list-style-type: none"> <li>a) Stephen Lonie (independent non-executive Chairman); and</li> <li>b) Sophie Mitchell, committee chair (independent non-executive director).</li> </ul> Recommendation 2.1 states that a Nomination Committee should have at least three members, a majority of whom are independent directors. The Board considers that the Nomination Committee comprising Stephen Lonie and Sophie Mitchell, both of whom are considered by the Board to be independent directors, is sufficient having regard to the size and nature of the Company. The Board will monitor the needs of the Company and may in the future consider the appointment of additional members to the committee.	○
2.2	In establishing the Board of Apollo, regard was had to the skills and expertise required of the directors relevant to Apollo's business. Directors with the desired skills and expertise were carefully selected for appointment to the Board.	✓
2.3	The Board Charter sets out the criteria adopted by the Board for considering if a director is independent. The Board is comprised of four members, two of whom are independent (Stephen Lonie and Sophie Mitchell). Karl Trouchet, Luke Trouchet and Sophie Mitchell were appointed to the Board on 8 September 2016, and Stephen Lonie was appointed to the Board on 20 September 2016. Stephen Lonie and Sophie Mitchell are considered independent as they do not have a material shareholding in Apollo or is an advisor or supplier to Apollo or has any other material contractual relationship with Apollo other than their position as director. Sophie is currently also a director of Morgans Corporate Limited (being the lead manager and underwriter to the initial public offering). The Board considers that this is not sufficiently material to influence, or be perceived to influence, Sophie's capacity to bring an independent judgement to bear on issues before the Board. In the event that a conflict of duty arises, Directors must comply with the Corporations Act in relation to any meeting disclosure and voting requirements.	✓

2.4	<p>The Board is comprised of four members, two of whom are independent (Stephen Lonie and Sophie Mitchell).</p> <p>Recommendation 2.4 sets out that a majority of the board of a listed entity should be independent directors. Having regard to the size and nature of the Company, the Board has determined that it is sufficient to have four Directors at this time, with two being independent non-executive Directors. The Board will monitor the needs of the Company and may in the future consider the appointment of additional independent non-executive Directors to the Board. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contracts relevant to the business of Apollo.</p>	✓
2.5	<p>The Chairman is an independent director and facilitates the effective contribution of all directors at Board meetings. The roles of Chair and Managing Director are exercised by different individuals.</p>	✓
2.6	<p>The Company has a program in place for induction of new Directors, which includes management presentations and site visits. Directors are also give access to continuing education in relation to Apollo's business, the industry in which it operates, and other information required by them to discharge the responsibilities of their office.</p>	✓
<b>Principle 3 – Act ethically and responsibly</b>		
3.1	<p>The Board has adopted a code of conduct applicable to all Directors, senior executives and employees, a copy of which is disclosed on Apollo's website.</p>	✓
<b>Principle 4 – Safeguard integrity in corporate reporting</b>		
4.1	<p>The Board has established an Audit and Risk Committee. The charter for the Audit and Risk Committee is available on Apollo's website. The Audit and Risk Committee comprise:</p> <ul style="list-style-type: none"> <li>a) Stephen Lonie (independent non-executive Chairman); and</li> <li>b) Sophie Mitchell, committee chair (independent non-executive Director).</li> </ul> <p>Recommendation 4.1 states that an audit committee should have at least three members, all of whom are independent directors.</p> <p>The Board considers that an Audit and Risk Committee comprising Stephen Lonie and Sophie Mitchell, both of whom are considered by the Board to be independent directors, is sufficient having regard to the size and nature of the Company. The Board will monitor the needs of the Company and may in the future consider the appointment of additional members to the committee.</p> <p>The relevant qualifications and experience of the members of the Audit and Risk Committee are set out in the Director's biographies on Apollo's website and will be updated in each reporting period.</p>	○
4.2	<p>The board of Apollo requires declarations and management representations in respect of the financial records and information of the business from the CEO and CFO for both the half-year and full-year results.</p>	✓

4.3	Apollo's external auditor will be requested to attend the AGM and make themselves available to answer questions from shareholders relevant to the audit.	✓
<b>Principle 5 – Make timely and balanced disclosure</b>		
5.1	The Board has established a written Disclosure and Communication Policy to ensure compliance with the ASX Listing Rule disclosure requirements and to ensure accountability for compliance. Each Board meeting considers whether any continuous disclosure issues arose during the course of the meeting. The Disclosure and Communication Policy is on Apollo's website.	✓
<b>Principle 6 – Respect the rights of Shareholders</b>		
6.1	Apollo has a website (www.apollotourism.com) which provides information about it, the Directors and executives, key governance policies and other information relevant to its investors. The website will be a key communication tool between Apollo and the shareholders.	✓
6.2	Apollo has not yet designed and implemented an investor relations program to facilitate effective two-way communication with investors, however, the Board recognises its importance and will put in place a tailored program following the Company's admission to the official list.	x
6.3	The Board has adopted the Disclosure and Communication Policy and will provide shareholders with opportunities to have questions addressed at shareholder meetings, irrespective of whether the shareholder is able to attend.	✓
6.4	All shareholders of Apollo will be able to communicate with Apollo and its share registry electronically and in fact this method of communication is encouraged.	✓
<b>Principle 7 – Recognises and manage risk</b>		
7.1	The Board has established an Audit and Risk Committee. The charter for the Audit and Risk Committee is available on Apollo's website. The Audit and Risk Committee comprise: a) Stephen Lonie (independent non-executive Chairman); and b) Sophie Mitchell, committee chair (independent non-executive director). Recommendation 7.1 states that a risk committee should have at least three members, a majority of whom are independent directors. The Board considers that an Audit and Risk Committee comprising Stephen Lonie and Sophie Mitchell, both of whom are considered by the Board to be independent Directors, is sufficient having regard to the size and nature of the Company. The Board will monitor the needs of the Company and may in the future consider the appointment of additional members to the committee.	○
7.2	The Board has appointed the Audit and Risk Committee to assist it with discharging its oversight function in respect of material business risks and to determine if the system of risk management is sound. Outcomes of those reviews will be reported in the corporate governance statement annually.	✓

7.3	Apollo does not have an internal audit function. The Board is of the view that it is not cost effective to have an internal audit function at this point in time given the size of the business and the fact that Apollo is not a complex operation. This decision will however be kept under review. The Board, through the Audit and Risk Committee, will work with management to review the management assurance function, to provide assurance to the Board on the effectiveness of internal controls and to recommend improvements to those controls. Where necessary independent third parties will be requested to undertake audits of specific parts of the business.	✓
7.4	The material risks that Apollo is exposed to are disclosed in the Prospectus and these include disclosure of any economic, environmental and social sustainability risks it faces. Management of the risks will form part of the review of the risk management framework requested by the Board.	✓
<b>Principle 8 – Remunerate fairly and responsibly</b>		
8.1	The Board has formed a Remuneration Committee. Membership of the Remuneration Committee comprise: a) Stephen Lonie, committee chair (independent non-executive Chairman); and b) Sophie Mitchell (independent non-executive director). Recommendation 8.1 states that a remuneration committee should have at least three members, a majority of whom are independent directors. The Board considers that the Remuneration Committee comprising Stephen Lonie and Sophie Mitchell, both of whom are considered by the Board to be independent Directors, is sufficient having regard to the size and nature of the Company. The Board will monitor the needs of the Company and may in the future consider the appointment of additional members to the committee. A copy of the charter for the Remuneration Committee is provided on Apollo’s website.	○
8.2	The Board has adopted a remuneration policy for non-executive Directors, which was disclosed in section 4.10 of the Prospectus. The remuneration paid to the executive Directors was disclosed in section 4.6 of the Prospectus.	✓
8.3	Apollo does not currently have an equity-based remuneration scheme in place, although if the Company introduces such a scheme in the future the Board intends to comply with Recommendation 8.3.	○