

2022 Corporate Governance Statement

DGR Global Limited

Introduction

The Board of Directors of DGR Global Limited (the **Company**) is responsible for the corporate governance of the Company. The Board guides and monitors the business affairs of the Company on behalf of the shareholders, by whom they are elected and to whom they are accountable.

Throughout the financial year ended 30 June 2022, and as at the date of this statement, DGR Global Limited's Corporate Governance Statement has been adopted and structured with reference to the fourth edition of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (the **ASX Recommendations**).

The Company's practices are largely consistent with the ASX Recommendations, and the Board has made appropriate statements reporting on the adoption of the ASX Recommendations. Where the Company's corporate governance practices do not correlate with the practices recommended by the Corporate Governance Council, the Company is working towards compliance. However, the Company does not consider that all practices are currently appropriate due to the size and scale of its operations. The Board has offered full disclosure and reasons for the adoption of Company practices, in compliance with the "if not, why not" approach, and these are summarised in both the Company's Appendix 4G for the year ended 30 June 2022 and this Corporate Governance Statement.

The Board is of the view that, with the exception of the departures noted below, it otherwise complies with all of the ASX Recommendations.

The information in this statement is current as at 30 September 2022 and has been approved by the Board.

LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 – Role of Board and Management

The Board drives and monitors the business and affairs of the Company on behalf of the shareholders, by whom they are elected and to whom they are accountable. The Board also ensures compliance with all of its contractual, statutory and other legal obligations by any regulatory body.

The Board provides input that assists in identifying and understanding emerging trends and issues, setting the broad framework within which the strategic and business plans will be prepared each year, recommending any significant shifts in the direction of the Company, and reviewing, developing, and approving the Company's long-term strategic plan and ensuring the Company develops annual business plans to achieve its strategic objectives.

Without limiting the general role of the Board, the principal functions and responsibilities of the Board include the matters set out below, subject to delegation to the Managing Director and senior management as specified elsewhere in this statement or as otherwise appropriate:

- ensuring compliance with the Corporations Act, the ASX Listing Rules (where appropriate), and all relevant laws;
- developing, implementing, and monitoring operational and financial targets for the Company;
- appointing appropriate staff, consultants, and experts to assist in the Company's operations, including selecting and monitoring a Chief Executive Officer;
- ensuring appropriate financial and risk management controls are implemented;
- approving and monitoring financial and other reporting;
- setting, monitoring, and ensuring appropriate accountability for Directors' and executive officers' remuneration;
- establishing and maintaining communications and relations between the Company and third parties, including its shareholders and ASX;
- implementing appropriate strategies to monitor performance of the Board in exercising its functions and powers;
- oversight of the Company including its framework of control and accountability systems to enable risk to be assessed and managed;
- ratifying the appointment of and, where appropriate, removal of the Chief Financial Officer and the Company Secretary;
- giving input into, and the final approval of, management's development of corporate strategy and performance objectives;
- reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance;
- monitoring senior management's performance, implementation of strategy, and ensuring appropriate resources are available;
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;
- approving the annual budget;
- monitoring the financial performance of the Company;
- liaising with the Company's external auditors;
- monitoring, and ensuring compliance with, all of the Company's legal obligations;
- approving and monitoring financial and other reporting; and
- appointing and overseeing Committees where appropriate to assist in the above functions and powers.

The Board has delegated to the Managing Director day-to-day responsibility for running the affairs of the Company and to implement the policies and strategies set by the Board. The Board also delegates to senior management the responsibilities for the day-to-day activities leading toward achievement of the Company's strategic direction with agreed boundaries and authority limitations.

The Company has adopted a Board Charter which sets out the functions and responsibilities of the Board and the matters expressly reserved to the Board and those delegated to management, and details the manner in which the Board operates. The Board Charter can be accessed the Company's website under *Corporate Governance*.

Recommendation 1.2 – Information Regarding Director Appointments and Re-elections

The policies and procedures for the selection and appointment of new Directors is that candidates are considered and selected by reference to a number of factors which include, but are not limited to, their relevant experience and achievements, compatibility with other Board members, and credibility within the Company's scope of activities. Directors are initially appointed by the full Board subject to election by shareholders at the next Annual General Meeting.

Prior to the initial appointment of any Director to the Board, the Company undertakes reference and other checks to ensure the candidate is competent, has the relevant skills and experience, and would not be impaired or otherwise prohibited from undertaking their duties if appointed.

At each AGM, the following Directors automatically retire and are eligible for re-appointment:

- any Director other than the Managing Director who has been elected in the office for a period in excess of three consecutive years or until the third Annual General Meeting following his/her appointment, whichever is longer, without submitting himself or herself for re-election;
- any Director who was appointed by the Directors during the year to fill a casual vacancy or as an addition to the existing Directors;
- one third of the Directors or, if their number is not a multiple of three, then the greatest of one or the number nearest to but not exceeding one third (the Managing Director is exempt from this requirement).

The Company has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a Director (including whether Directors support the election or re-election) is disclosed in the notice of meeting provided to shareholders.

Recommendation 1.3 – Written Agreements for Appointments of Directors and Senior Executives

New Directors receive a Letter of Appointment and a Deed of Indemnity, Insurance and Access to Documents. Non-Executive Directors are not appointed for fixed terms. Executive Directors have written service contracts which set out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements, and termination rights and entitlements.

Each senior executive enters into a service contract which sets out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements, and termination rights and entitlements. Contract details of senior executives which are key management personnel are summarised within the Remuneration Report which forms part of the Directors' Report contained in the 2022 Annual Report which can be accessed on the Company's website.

Not all written agreements setting out the terms of appointment of the Company's Directors and Senior Executives are with those Directors or Senior Executives (as the case may be) personally. Having regard to the nature and scale of the Company's operations and activities, the Board does not consider non-compliance with this Recommendation to be detrimental to the Company or its shareholders.

Recommendation 1.4 – Company Secretary

The Company Secretary is accountable directly to the Board (through the Chairman) for facilitating the Company's corporate governance processes and proper functioning of the Board. Each Director is entitled to access the advice and services of the Company Secretary. In accordance with the Company's Constitution, the appointment and removal of the Company Secretary is a matter for the Board as a whole. A copy of the Constitution is available on the Company website under *Corporate Governance*. The details and experience of the Company Secretary are set out within the Directors' Report contained in the 2022 Annual Report.

Recommendation 1.5 – Diversity

The Board has adopted a Diversity Policy in accordance with the ASX Recommendations. The Company recognizes and values the potential competitive advantages associated with diversity (including gender, age, ethnicity, and cultural background) and the benefits of its integration throughout the Company. The Company aims to attract, nurture, and develop the collective skills and diverse experience and attributes of personnel within the Company.

When the Board considers that the Company to be of sufficient size, having regard to the nature and scale of its operations, it will seek to develop, measure, and monitor strategies, initiatives, programs, and objectives for the achievement of diversity within its personnel, executives, and Board as appropriate.

Notwithstanding its Diversity Policy, the Company will maintain as a critical criterion for the selection and promotion of current and prospective employees their prospect of adding value to the Company and enhancing the probability of the Company achieving its business objectives, having regard to their relative experience, and the nature of the industry in which the Company operates.

During the year ended 30 June 2022 there were four (4) female employees working for the Company (and its controlled, unlisted subsidiaries), but no females at Executive or Board level.

The Board believes that the Company is not currently of a sufficient size to warrant the establishment of formal measurable diversity objectives.

Recommendation 1.6 – Board Reviews

The Board did not conduct a performance evaluation during the last twelve (12) months and has not adopted a formal performance evaluation policy. The Company believes that the small size of the Board and the current scale of the Company's activities make the establishment of a formal performance evaluation procedure unnecessary.

Performance evaluation is a discretionary matter for consideration by the entire Board. In the normal course of events the Board reviews performance of the management, Directors, and the Board as a whole. Achievement of goals and business development and compliance issues are evaluated regularly on an informal basis.

The Board is provided with the information it needs to discharge its responsibilities effectively. All Directors have access to corporate governance policies and material contracts entered into by the Company. The Directors also have access to the Company Secretary for all Board and governance-related issues.

Recommendation 1.7 – Management Reviews

The Board has established a separate remuneration committee, which is responsible for the proper oversight and review of the performance of the Company's senior executives. These evaluations take into account criteria such as the achievement and performance towards the Company's objectives and (where appropriate) performance benchmarks and the achievement of individual performance objectives. However, the committee also recognises the need for flexibility in defining performance objectives which must reflect the current status of the Company still being exploration and development stage. No formal review process was undertaken during the year.

STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

Recommendation 2.1 – Nomination Committee

The Board's view is that the Company is not currently of the size to justify the formation of a separate Nomination Committee. The Board currently performs the functions of a Nomination Committee and where necessary will seek the advice of external advisors in relation to this role. The Board shall, upon the Company reaching the requisite corporate and commercial maturity, approve the constitution of a Nomination Committee to assist the Board in relation to the appointment of Directors and senior management as required.

At least annually, the Board considers whether or not further skills or relevant industry experience are required to assist with the oversight of the Company, having regard to the stage of its ongoing development.

Recommendation 2.2 – Board Skills Matrix

The Company seeks to ensure the Board comprises an appropriate and diverse mix of skills and experience to oversee the business of the Company. Details of the current Directors, their skills, experience, qualifications, and a record of attendance at meetings are all included in the Directors’ Report inside the Company’s 2022 Annual Report, and a matrix of the Board’s skills is set out below:

SKILLS	INDUSTRY
<ul style="list-style-type: none"> Project generation, exploration, and development JV, merger, corporate transactions Commercial and mining law 	Resources
<ul style="list-style-type: none"> Project selection and investment Corporate funding and capital raising 	Funds Management – General and Resources
Mergers and acquisitions	Legal – Corporate and ASX
Corporate finance/accounting	Accounting – Corporate and ASX
Corporate strategy and development	Corporate and ASX-listed

Recommendation 2.3 – Disclose Independence and Length of Service

Recognising the importance of the appropriate balance between independent and non-independent representation on the Board, the Company has developed a formal “Assessing the Independence of Directors” Policy, which can be accessed from the Company’s website under *Corporate Governance*.

During the financial year ended 30 June 2022, the Board of the Company comprised:

- Nicholas Mather – Managing Director and Chief Executive Officer (appointed 2001)
- Brian Moller – Non-Executive Director (appointed 2002)
- Peter Wright – Non-Executive Chairman (appointed 19 January 2021)

The Directors set out in the table below are / were not considered to be independent during the period of their tenure:

NAME	POSITION	REASON FOR NON-INDEPENDENCE
Nicholas Mather	Executive Director	Mr Mather is employed by the Company in an executive capacity.
Brian Moller	Non-Executive Director	Mr Moller is a principal of a material professional advisor to the Company.
Peter Wright	Non-Executive Chairman	Mr Wright is a partner and an executive director of a material advisor to the Company's 2020 and 2021 capital raising initiatives.

The Company is of the view that the Board did not consist of a majority of independent Directors throughout the financial year. DGR Global considers industry experience and specific expertise, as well as general corporate experience, to be important attributes of its Board members. The Directors noted above were appointed to the Board of DGR Global due to their experience in such areas. The length of service of each Director can also be found inside the Directors' Report in the 2022 Annual Report.

The Board will consider appointing further independent Directors in the future, when the Company is of sufficient size. In the meantime, the Company believes that given the size and scale of its operations, non-compliance by the Company with this recommendation will not be detrimental to the Company or its shareholders.

Recommendation 2.4 – Majority of Directors Should Be Independent

Refer to Recommendation 2.3.

Recommendation 2.5 – Chair Should Be Independent

Currently, the appointed Chair, Mr Peter Wright, is not considered to be independent as outlined at Recommendation 2.3 above. The Company is of the view that its current non-compliance with this recommendation will not be detrimental to the Company or its shareholders.

Recommendation 2.6 – Induction and Personal Development

The Company does not have a formal structured induction program, however to familiarise themselves with the Company and its practices and procedures, each new appointee typically spends time with the Managing Director and / or the Company Secretary / CFO to be briefed on the Company's corporate and project history, and the state of its finances and accounting practices.

In addition, new Directors may request from the Company Secretary:

- any past minutes of Directors' meetings of the Company;
- any existing policies or procedures of the Company which are in place;
- any minutes of meeting of shareholders of the Company;
- copies of the audited financial statements of the Company since 2003; and
- any other information, financial or otherwise, about the affairs of the Company that Directors request.

The Company recommends and encourages all Non-Executive Directors to attend relevant external seminars, conferences, and educational programs for expanding their knowledge base and professional skills. Directors also have the right, in connection with the discharge of their duties and responsibilities, to seek independent professional advice at the Company's expense in accordance with the agreed procedure set up by the Board.

For a new Director, the Company Secretary will provide the following documents:

- a Letter of Appointment including appointment terms, the Director's duties and obligations, and the Director's entitlements;
- a Consent to Act, which requires a formal written consent to become a Director, containing the minimum information required by the Company and the Corporations Act; and
- a Deed of Indemnity, Insurance and Access.

ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1 – Company Values

The Company has the following values as part of its policy framework and website disclosure:

CREATE

- Create long-term value for shareholders
- Generate quality projects and resource companies
- Build experienced teams

INNOVATE

- Focus on traditional and technology-driven commodities
- Utilise innovative exploration techniques
- Diverse range of financial markets and international exchanges

DISCOVER

- Find world class projects
- Explore yellow-light jurisdictions
- Source high-level talent globally

Recommendation 3.2 – Code of Conduct

The Company has established a Code of Conduct for the Board, management, and employees of the Company. The Code of Conduct requires that Directors, management, and employees maintain high standards of integrity by ensuring that all business activities are conducted legally and ethically in compliance with the letter and spirit of both the law and the Company's policies. A copy of the Code of Conduct can be accessed from the Company's website under *Corporate Governance*.

The Company encourages the reporting of unlawful or unethical conduct via its Whistleblower Policy (refer below).

Any material breaches of the Code of Conduct are immediately reported to the Board.

Recommendation 3.3 – Whistleblower Policy

The Board has established a Whistleblower Policy that sets out the procedure for making disclosures of information that qualifies for protection under the Corporations Act or the Whistleblower Policy. It applies to Directors, management and employees of the Company (and their relatives), as well as suppliers of the Company (and their employees, contractors, suppliers, consultants and service providers). A copy of the Whistleblower Policy can be accessed on the Company's website under *Corporate Governance*.

Any reports received under the Whistleblower Policy are immediately reported to the Board.

Recommendation 3.4 – Anti-Bribery and Corruption Policy

The Board takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, ethically and with integrity in all of its business dealings and relationships. This extends to implementing and enforcing effective systems to counter bribery and corruption, and the Board has established an Anti-Bribery and Corruption Policy. A copy of the Anti-Bribery and Corruption Policy can be accessed on the Company's website under *Corporate Governance*.

SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1 – Audit Committee

For the 2021/22 financial year, the Audit & Risk Management Committee was comprised of:

- Brian Moller – Non-Executive Director (Chairman of the Committee)
- Peter Wright – Non-Executive Director

The Audit and Risk Management Committee held two (2) meetings during the year ended 30 June 2022. Details of Committee members' attendance at those meetings can also be accessed within the Directors' Report in the 2022 Annual Report.

The Company has adopted an Audit and Risk Management Charter setting out the Committee as well as reporting requirements. The Charter is reviewed annually to determine whether any changes are necessary. A copy of the Charter can be accessed on the Company's website under *Corporate Governance*.

The Audit and Risk Management Committee is responsible for:

- monitoring the integrity of the financial statements of the Company and reviewing significant financial reporting judgments;
- reviewing the Company's internal financial control system;
- considering the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditors;
- monitoring and reviewing the external auditor's independence, objectivity, and effectiveness, taking into consideration relevant professional and regulatory requirements; and
- developing and implementing policy on the engagements of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

The Audit and Risk Management Committee is responsible for reviewing the nomination, performance, and independence of the Company's external auditors. BDO Audit Pty Ltd (**BDO**) was appointed as the Company's external auditor by shareholders at a General Meeting held on 25 November 2009. BDO has advised the Company that their policy of audit partner rotation requires a change in the lead engagement partner and review partner after a period of five years.

Recommendation 4.2 – CEO and CFO Certification of Financial Statements

Prior to the approval of the Group’s financial statements each year, the Chief Executive Officer and the Chief Financial Officer confirm in writing to the Board that the financial reports of the Company for the financial year:

- present a true and fair view, in all material respects, of the Company’s financial condition and operational results and are in accordance with relevant accounting standards;
- the statement given in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company’s risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting risks.

The Board acknowledges that the internal control assurances from the CEO and CFO are not absolute, and can only be provided on a reasonable basis after having made due enquiries. Because much of the evidence available is persuasive rather than conclusive, the process is not designed to detect all potential weaknesses in control systems.

Recommendation 4.3 – Verification of Periodic Reporting

For periodic corporate reports released to the market which are not required to be audited or reviewed by the Company’s external auditor, the reports are subject to an internal review and approval process prior to market release. This process involves the reports being prepared and reviewed by relevant subject matter experts, an internal verification and sign off process, material statements being reviewed for accuracy, and an appropriate approval process involving senior executives, and for disclosure of certain matters, the approval of the Board.

A prime example of the above process is that, as a participant in the resources sector, the Company is required to lodge Quarterly Cash Flow Statements, which are not audited. This information is prepared by the Company’s accounting staff, checked by the CFO / Company Secretary and circulated to the Board before release to the market.

MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1 – Continuous Disclosure Policy

The Company has adopted a Continuous Disclosure Policy to ensure compliance with the continuous disclosure requirements of ASX’s Listing Rules and the Corporations Act. The Policy sets out the rules and procedures for ASX information disclosure, the responsibility of the Board, senior executives, and staff to ensure that price sensitive information is identified, reviewed by management, and disclosed to ASX in a timely, clear, and objective manner and that all information provided to ASX is posted on the Company’s website as soon as possible after its disclosure to ASX.

The Company Secretary manages the Company's compliance with its continuous disclosure obligations and is responsible for communications with, and coordinating disclosure of information to, ASX. Directors receive copies of all announcements released to ASX and copies of announcements, including related information, such as financial statements and public presentations, and are aware of and accountable for the Company's compliance with regard to continuous disclosure.

A copy of the Continuous Disclosure Policy is available on the Company's website under *Corporate Governance*.

Recommendation 5.2 - Directors Should Receive Copies of Material Market Announcements

Directors receive copies of all announcements released to ASX and copies of announcements, including related information, such as financial statements and public presentations, and are aware of and accountable for, the Company's compliance with regard to continuous disclosure.

Recommendation 5.3 - Release of New Presentations to Market

In order to ensure the equality of information among investors, the Company releases to the market a copy of all new and substantive investor or analyst presentations ahead of delivery.

RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1 – Information on Website

Information about the Company and its operations is located on the Company's website (www.dgrglobal.com.au). Information about the Company's Corporate Governance policies can be found on the Company's website under *Corporate Governance*.

Recommendation 6.2 – Two-Way Investor Relations Program

The Company is committed to informing shareholders of all major developments affecting the operations of the Company and the state of its affairs. Communications with shareholders include:

- annual reports which are distributed or otherwise made available to all investors;
- quarterly activities and cash flow reports;
- half-year financial reports;
- AGMs and other general meetings called to obtain shareholder approval for significant corporate actions, as appropriate;
- Company announcements; and
- all of the information available on the Company's website.

Conference and investor presentations, including videos where applicable, are made available on the Company's website and via its newsletter service. The Company operates a Twitter account and has a free newsletter subscription page available to all interested parties on its website. The Company welcomes questions from shareholders at any time and these are answered promptly unless the information requested is market sensitive and not in the public domain. All announcements made by the Company to the market (except disclosures of a routine compliance or administrative nature) are posted to the Company's website. The Managing Director, the Company Secretary, and the Marketing Manager are responsible for this area of the Company's activities.

Recommendation 6.3 – Facilitate Participation at Meetings of Security Holders

The Company encourages shareholder participation at its AGMs including by making notices of meetings available on its website. DGR Global's external auditor attends the Company's AGMs and is available to answer any questions which shareholders may have about the conduct of the external audit for the relevant financial year and the preparation and content of the audit report.

Shareholders who are unable to attend meetings of the Company are encouraged to participate in meetings by way of appointment of a proxy.

Recommendation 6.4 – Substantive Resolutions Decided by Poll

All substantive resolutions at meetings of the Company's security holders are decided by a poll rather than by a show of hands.

Recommendation 6.5 – Facilitate Electronic Communications

The Company has the capability to communicate with shareholders electronically through its website and email communications. Electronic contact details are provided on the Company's website. The Company also has a Twitter account ([@DGRGlobal](#)) through which it provides updates regarding its activities.

Security holders can opt to receive electronic communications from the Company's share registry, Link Market Services.

RECOGNIZE AND MANAGE RISK

Recommendation 7.1 – Risk Committee

The Company has not set up a stand-alone risk committee, but has established a combined Audit and Risk Management Committee, which is responsible for:

- ensuring the development of an appropriate risk management policy framework that will provide guidance to management in implementing appropriate risk management practices throughout the Company's operations, practices, and systems;
- defining and periodically review management as it applies to the Company and clearly identify all stakeholders;
- ensuring that the Company's risk management philosophy, policies, and strategies are clearly communicated to Directors, senior executives, employees, contractors, and appropriate stakeholders;
- ensuring that Directors and senior executives establish a risk aware culture which reflects the Company's risk policies and philosophies;
- reviewing methods of identifying broad areas of risk and set parameters or guidelines for business risk reviews; and
- considering capital raising, treasury, and market trading activities with particular emphasis on risk treatment strategies, products, and levels of authority.

For more information refer to Recommendation 4.1.

Additionally, the Board Agenda has standing items for management to report against various risk and compliance issues associated with the Company and its business.

Recommendation 7.2 – Annual Risk Review

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. They are required by the Board to report back on the efficiency and effectiveness of risk management, inter alia, by benchmarking the Company's performance against industry standards.

The risk profile of the Company contains both financial and non-financial factors including operational, field and geological risks, and a range of financial and corporate risks. To mitigate these risks, the Company has in place an experienced Board, regular Board meetings, an Audit and Risk Management Committee which aims to meet at

least bi-annually, six-monthly financial audits, rigorous appraisal of new investments, and advisers familiar with the Company.

The Company's risks have been reviewed on a regular basis throughout the reporting period by the Board.

Recommendation 7.3 – Internal Audit

The Company does not have a formal internal audit function due to its current size. The Audit and Risk Management Committee monitors the need for an internal audit function. The Company's management periodically undertakes an internal review of financial systems and processes and where systems are considered to require improvement, these systems are developed. The Company's external auditors are consulted for advice by the Audit and Risk Management Committee.

The Company's External Auditor is consulted for advice by the CFO and / or the Chair of the Audit and Risk Management Committee. At this stage the Company's operational and financial functions are not complex, and all expenditure authorizations include the Managing Director, the CFO, the Group Finance Manager, or the Company Secretary. All suppliers are known to the Company, and any irregular and unrecognized expenses are routinely queried and discussed with one or more of the personnel noted above.

Recommendation 7.4 – Sustainability Risks

The Company, as an exploration company, faces inherent risks in its activities, including economic, environmental, and social sustainability risks which may have a material impact on the Company's ability to create value for its shareholders.

The Board regularly monitors the operational and financial performance of the Company's activities. It monitors and receives advice on areas of operation and financial risk and considers strategies for appropriate risk management, including with stakeholders, suppliers, staff and key contractors. Operational and financial strategies adopted are primarily aimed at improving the value of the Company. However, the Directors recognize that mineral exploration and evaluation is inherently risky.

Material business risks are considered in the preparation of the Review of Operations in the 2022 Annual Report. In relation to environmental risks, the Company closely monitors its exposure to all such risks at the current projects located within Australia, and seeks the input of specialist environmental consultants as required.

Further details regarding climate change and environmental risks are outlined in the Director's Report within the 2022 Annual Report.

REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1 – Remuneration Committee

During the majority of the year the Company's Remuneration Committee comprised three (3) Directors: Mr Peter Wright, Nick Mather and Mr Brian Moller. The Board currently fulfils the role of the Committee. The Committee is responsible for making decisions on Directors' and key management personnel's remuneration packages. There is no requirement that the Remuneration Committee meet a set number of times or intervals during a year.

Rather, the Committee will meet at such intervals as required to fulfil its obligations. There were no meetings held during the financial year ended 30 June 2022.

The Company has adopted a Remuneration Committee Charter, which is available on the Company's website under *Corporate Governance*.

In terms of remuneration structures for Directors and Executives, the Board benchmarks itself against industry peers, broad remuneration trends and statistics available via third party providers, and recruitment or human resource providers as appropriate to any appointment or review process.

Recommendation 8.2 – Disclosure of Executive and Non-Executive Director Remuneration Policy

The Board of the Directors is responsible for determining and reviewing compensation arrangements for the Directors and the executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team. Disclosure of the remuneration details for Directors and executives occurs each year in the Remuneration Report forming part of the Directors' Report contained within the 2021 Annual Report. Details of the Managing Director's remuneration arrangements are announced to market at the time of establishment and at the time of any material change thereafter.

The Constitution of the Company provides that the Non-Executive Directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is \$350,000 per annum. Additionally, Non-Executive Directors are entitled to be reimbursed for properly incurred expenses.

Directors may have the opportunity to participate in the Company's option plan, subject to governance considerations and the approval of shareholders. The remuneration of the executives may from time to time be fixed by the Board, which will comprise a fixed remuneration component and also may include offering specific

short and long-term incentives in the form of performance-based salary increases and/or bonuses, and/or the issue of options. Details of the Company's remuneration arrangements for Non-Executive Directors, Executive Directors, and senior executives (including fee rates), are set out within the Remuneration Report forming part of the Directors' Report contained within the 2022 Annual Report.

Recommendation 8.3 – Equity Based Remuneration Scheme

The Directors of the Company are subject to a number of restrictions in relation to them dealing in the Company's shares, all of which are incorporated in a Trading Policy. Directors can only deal in shares in the Company during certain periods or in certain circumstances (eg. a bonus issue), and then only after receiving written clearance for the intended transaction from the Chairman of the Board. The Share Trading Policy can be accessed on the Company's website under *Corporate Governance*.

Under the Company's Securities Trading Policy, participants are not permitted to enter into any form of transaction or hedging arrangement which would limit the economic risk associated with unvested securities or securities subject to any form of holding lock.