



METALLICA MINERALS LIMITED

ABN: 45 076 696 092

ASX Code: MLM

Metallica Minerals Limited

ACN 076 696 092

Corporate Governance Statement – 2023

Introduction

The ASX Listing Rules require listed companies to include a statement disclosing the extent to which the Company's board of directors (**Board**) is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of ethical behaviour and accountability. It is committed to administering its corporate governance structures to promote integrity and responsible decision making.

Accordingly, the Company has, where appropriate, sought to adopt the "Corporate Governance Principles and Recommendations" (Fourth Edition) (**ASX Recommendations**) published by the ASX Corporate Governance Council.

The corporate governance principles and practices adopted by the Company may differ from those set out in the ASX Recommendations where the Board considers that adherence is not appropriate, having regard to the nature, complexity, and size of the Company's business.

The Company reports below on its compliance with the ASX Recommendations and those matters of corporate governance where the Company's practice departs from the ASX Recommendations to the extent that they are currently applicable to the Company.

This statement was approved by the Board of Directors on 11 October 2023.

Corporate Governance Recommendations

The table below summarises the Company's compliance with the Corporate Governance Recommendations during the reporting period. Where the Company has complied with a recommendation in full for the whole of the reporting period, this is indicated with supporting notes provided. Where the Company considered it was not appropriate to comply with a particular recommendation, this is indicated and the Company's reasons are set out in the table.

Principles and Recommendations	Compliance by the Company
Principle 1 – Lay solid foundations for management and oversight	
<i>A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.</i>	
<p>Recommendation 1.1</p> <p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>The Company complies with this recommendation.</p> <p>The Board has adopted a Board Charter that sets out the principles for the operation of the Board and describes the functions of the Board and the functions delegated to management of the Company.</p> <p>Section A of the Board Charter sets out the responsibilities reserved to the Board and matters capable of delegation. The Board is responsible for:</p> <ul style="list-style-type: none"> (i) Ensuring compliance with the Corporations Act 2001, ASX Listing Rules (where appropriate) and all relevant laws; (i) The Company's culture, (ii) Developing, implementing and monitoring operational and financial targets for the Company; (iii) Appointment of appropriate staff, consultants and experts to assist in the Company's operations specifically, including the selection and monitoring of the Executive Chairman; (iv) Ensuring appropriate financial and risk management controls are implemented; (v) Approving and monitoring financial and other reporting; (vi) Setting, monitoring and ensuring appropriate accountability for Directors' and executive officers' remuneration; (vii) Establishing and maintaining communications and relations between the Company and third parties, including its shareholders and ASX by delegating such a role to the Executive Chairman or Company Secretary as relevant; (viii) Implementing appropriate strategies to monitor performance of the Board in implementing its functions and powers; (ix) Oversight of the Company including its framework of control and accountability systems to enable risk to be assessed and managed;

Principles and Recommendations	Compliance by the Company
	<ul style="list-style-type: none"> (x) Appointing and removing the Chief Executive Officer and/or Managing Director at a point in time in the future; (xi) Appointing and removing the Chief Financial Officer and the Company Secretary; (xii) Input into and final approval of the management's development of corporate strategy and performance objectives; (xiii) Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance; (xiv) Monitoring senior management's performance, implementation of strategy and ensuring appropriate resources are available; (xv) Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures; (xvi) Approval of the annual budget; (xvii) Monitoring the financial performance of the Company; (xviii) Liaising with the Company's external auditors in conjunction with the Audit & Risk Management Committee; (xix) Monitoring, and ensuring compliance with, all of the Company's legal obligations; (xx) Approving and monitoring financial and other reporting; (xxi) Appointing and overseeing relevant Committees where appropriate to assist in the above functions and powers. <p>The Board has delegated responsibilities and authorities to the Executive Chairman to enable him to conduct the Company's day to day activities. Matters which are not covered by these delegations, such as approvals which exceed certain limits or do not form part of the approved budget, require Board approval.</p> <p>An evaluation of the performance of senior management is normally carried out during the financial year. This is considered to be an appropriate process as the Company is in the exploration, evaluation and development stage therefore it is not possible to evaluate performance against revenue or profit targets.</p>

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<p>Recommendation 1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election, as a director; and</p> <p>(b) provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>The Company complies with this recommendation.</p> <p>Section A.1(c) 4 of the Board Charter provides that, where practical, the Board should be comprised of a majority of non-executive independent directors with a broad range of expertise, skills and experience. Particular candidates may also be considered where they hold particular experience in the various activities conducted by the Company.</p> <p>Once a potential candidate has been identified that candidate would be expected to provide a copy of their resume detailing their skills and experience. The Board, generally as part of a Board meeting, would interview the candidate and also explain details of the Company, its operations, policies and expectations. The Board, as a whole, will consider the appointment and the appointment is then subject to the directors' voting arrangements set out in the Company's Constitution. The Board will also carry out check's as to the person's character, experience, education, criminal record and bankruptcy, and as otherwise determined by the Board from time to time.</p> <p>The Company gives shareholders all material information in its possession relevant to the decision whether or not to elect or re-elect a Director, either in the notice of meeting and explanatory statement for the relevant meeting of shareholders which addresses the election or re-election of the Director, or by including in the notice a clear reference to the location on the Company's website, Annual Report or other document lodged with ASX where the information can be found.</p>
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>The Company complies with this recommendation.</p> <p>The Company has and will continue to ensure that it has a written agreement with each director and senior executive setting out the terms of their appointment.</p>
<p>Recommendation 1.4</p> <p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The Company complies with this recommendation.</p> <p>Clause 9 of the Board Charter provides that the company secretary is accountable to the Board, through the Chairperson, on all governance matters and reports directly to the Chairperson as the representative of the Board.</p>

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<p>Recommendation 1.5</p> <p>A listed entity should:</p> <ul style="list-style-type: none">(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;(b) disclose that policy or a summary of it; and(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:	<p>The Company does not comply with this recommendation.</p> <p>The Board values diversity (in its broader sense) and recognises the benefits it can bring to the Company's ability to achieve its goals. However, given the current stage of the Company's operations and number of employees, the Company has determined at this stage not to formally adopt a diversity policy.</p> <p>The Company will re-assess this as the Company grows.</p>
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Principles and Recommendations	Compliance by the Company
<p>(i) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined “senior executive” for these purposes); or</p> <p>(ii) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under the Act.</p>	
<p>Recommendation 1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>The Company complies with this recommendation.</p> <p>An evaluation of the Board’s performance is normally undertaken annually by the Board. This is an internal process and does not generally involve external review of the Board or its performance.</p> <p>No formal Board performance evaluation was undertaken in the current reporting period as the Board is of the view that an informal performance evaluation process was appropriate for the past 12-month period.</p> <p>The Board will disclose in relation to each reporting period whether a performance evaluation was undertaken.</p>
<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The Company complies with this recommendation.</p> <p>The Board Charter provides for the Board will carry out annual reviews of the performance of key executives.</p> <p>The Board will disclose in relation to each reporting period whether a performance evaluation was undertaken.</p>

Principles and Recommendations	Compliance by the Company
<p>Principle 2 – Structure the board to add value</p> <p><i>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</i></p>	
<p>Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director;</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee;</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively</p>	<p>The Company does not comply with this Recommendation.</p> <p>The Company is not of an appropriate size to consider formation of a nomination committee to deal with the selection and appointment of new Directors and as such, a nomination committee has not been formed. Nominations of new Directors are considered by the full Board. If any vacancies arise on the Board, all Directors are involved in the search and recruitment of a replacement. The Board has taken a view that the full Board will hold special meetings or sessions as required.</p> <p>The Board is confident that this process for selection, (including undertaking appropriate checks before appointing a person or putting forward to Shareholders a candidate for election) and review is stringent and full details of all Directors will be provided to Shareholders in the annual report and on the Company's website.</p>

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<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>The Company complies with this recommendation</p> <p>Details of the skills, experiences and expertise of each Director are set out in the Company's Annual Report.</p> <p>The following table provides detail on the key skills and experience that Metallica requires from its Board, and the extent to which these attributes are currently represented on the Board.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">1. Strategic skills</th> <th></th> <th style="text-align: center;">Representation on the Metallica Board¹</th> </tr> </thead> <tbody> <tr> <td>Resources Sector</td> <td>Management, advisory or Board level experience in the resources sector in Australia or overseas.</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Strategy</td> <td>Experience in developing, implementing, and monitoring strategic business plans</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Mergers and Acquisitions</td> <td>Experience in the acquisition and sale of local or overseas resources assets (including farm- in and farm-out processes) as well as mergers, acquisitions, and other corporate transactions.</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Project Development</td> <td>Experience in developing substantial exploration and production projects in the resources, oil and gas, or energy industries.</td> <td style="text-align: center;">3</td> </tr> <tr> <td>International</td> <td>Experience in conducting business in international jurisdictions including having a conceptual understanding of various regulatory frameworks.</td> <td style="text-align: center;">3</td> </tr> <tr> <th style="text-align: left;">2. Operational skills</th> <th></th> <th style="text-align: center;">Representation on the Metallica Board¹</th> </tr> <tr> <td>Geological, Geophysical and Engineering</td> <td>Experience in analysing geological and geophysical models and/or engineering data to inform oversight of exploration, production, and corporate opportunities.</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Commercial / Operations/Production</td> <td>Experience in decision making and control of commercial scale production and operations in the resources sector.</td> <td style="text-align: center;">3</td> </tr> <tr> <td>Legal</td> <td>Legal experience, preferably with commercial and contracting experience in the resources sector</td> <td style="text-align: center;">3</td> </tr> </tbody> </table>	1. Strategic skills		Representation on the Metallica Board ¹	Resources Sector	Management, advisory or Board level experience in the resources sector in Australia or overseas.	3	Strategy	Experience in developing, implementing, and monitoring strategic business plans	3	Mergers and Acquisitions	Experience in the acquisition and sale of local or overseas resources assets (including farm- in and farm-out processes) as well as mergers, acquisitions, and other corporate transactions.	3	Project Development	Experience in developing substantial exploration and production projects in the resources, oil and gas, or energy industries.	3	International	Experience in conducting business in international jurisdictions including having a conceptual understanding of various regulatory frameworks.	3	2. Operational skills		Representation on the Metallica Board ¹	Geological, Geophysical and Engineering	Experience in analysing geological and geophysical models and/or engineering data to inform oversight of exploration, production, and corporate opportunities.	3	Commercial / Operations/Production	Experience in decision making and control of commercial scale production and operations in the resources sector.	3	Legal	Legal experience, preferably with commercial and contracting experience in the resources sector	3
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	Financial	Experience in financial management and accounting practices in the resources sector in Australia or overseas.	2
	HSSE, Sustainability, Diversity and Culture	Successful experience in relation to: <ul style="list-style-type: none"> • Workplace health, safety and environmental management and the design, implementation and oversight of HSSE Management Systems, • Fostering appropriate levels of diversity across boards, management teams and staff (including in relation to gender, age, culture, skills and experience, personality, and the like) 	3
	3. Governance skills		Representation on the Metallica Board*
	Stakeholder Engagement and Investor Relations	Experience in successfully engaging with internal and external stakeholders at all levels.	3
	Governance frameworks, Compliance and Culture	Experience in the design, implementation and oversight of effective governance frameworks including in relation to compliance and risk management processes, development of good corporate culture (including in relation to safety and anti-bribery and corruption practices).	3
	*Based on Board membership at the date of this report.		
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>The Company complies with this recommendation.</p> <p>The Company will disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>		

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<p>Recommendation 2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>The Company complies with this recommendation.</p>
<p>Recommendation 2.5</p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>The Company does not comply with this recommendation.</p> <p>The Company does not consider this recommendation appropriate in the Company's current circumstances, but this may change in future.</p>
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>The Company complies with this recommendation.</p> <p>All new Directors are appointed through a written agreement with the Company that sets out their duties, rights, and responsibilities. In addition, the Board is responsible for ensuring that new Directors are provided with a comprehensive induction program that includes business briefings and site visits.</p> <p>The Board encourages Directors to continue their education and maintain the skills required to discharge their duties by providing professional development opportunities. The Company meets all reasonable costs of continuing Director education</p>
<p>Principle 3 – Promote ethical and responsible decision making</p> <p><i>A listed entity should act ethically and responsibly.</i></p>	
<p>Recommendation 3.1</p> <p>A listed entity should articulate and disclose its values.</p>	<p>The Company complies with this recommendation.</p> <p>The Company has a Corporate Ethics Policy which applies to employees, directors, and officers of the Company. The policy addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board and is published on the Company's website.</p>

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<p>Recommendation 3.2</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code. 	<p>The Company complies with this recommendation.</p> <p>The Company has a Code of Conduct which applies to employees, directors and officers of the Company.</p> <p>The Code of Conduct addresses matters relevant to the Company's legal and ethical obligations to its stakeholders. It may be amended from time to time by the Board and is published on the Company's website.</p>
<p>Recommendation 3.3</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy 	<p>The Company complies with this recommendation.</p> <p>The Board has adopted a whistleblower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal, or discriminatory treatment. The purpose of this policy is to promote responsible whistleblowing about issues where the interests of others, including the public, or of the organisation itself are at risk.</p> <p>Given the Company's present size and scope, it is currently not the Company's policy to have a separate committee and all whistleblower matters will be considered by the board (excluding any implicated board member in a report).</p>
<p>Recommendation 3.4</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material breaches of that policy 	<p>The Company complies with this recommendation.</p> <p>The Company has an Anti-bribery and anti-corruption policy which applies to all personnel, including directors, temporary staff and contractors, and business associates of the Company. It may be amended from time to time by the Board and is published on the Company's website.</p> <p>Given the Company's present size and scope, it is currently not the Company's policy to have a separate committee and all an anti-bribery and corruption matters will be considered by the board (excluding any implicated board member in a report).</p>

Principles and Recommendations	Compliance by the Company
<p>Principle 4 – Safeguard integrity in corporate reporting</p> <p><i>A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.</i></p>	
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the relevant qualifications and experience of the members of the committee; and</p> <p>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>As a consequence of the size and composition of the Board, the Company does not comply with this recommendation.</p> <p>The Board has not established a separate audit committee. The full Board carries out the duties that would ordinarily be assigned to the audit committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify having a separate audit committee.</p> <p>The Board as a whole has responsibilities typically assumed by an audit committee, including but not limited to:</p> <p>(a) verifying and safeguarding the integrity of the Company's stakeholder reporting;</p> <p>(a) reviewing and approving the audited annual and reviewed half-yearly financial reports;</p> <p>(b) reviewing the appointment of the external auditor, their independence and performance, the audit fee, any questions of their resignation or dismissal and assessing the scope and adequacy of the external audit; and</p> <p>(c) a risk management function.</p>

Principles and Recommendations	Compliance by the Company
<p>Recommendation 4.2</p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>The Company complies with this recommendation.</p> <p>The Audit and Risk Committee Charter provides that before the Board approves the Company's financial statements for a financial period, the Committee are to provide a report on whether the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company.</p> <p>The Company's Managing Director, or Chief Executive Officer if there is no Managing Director, and Chief Financial Officer (or equivalent) must report in writing to the Board that:</p> <ul style="list-style-type: none"> (a) the financial statements of the Company and its controlled entities (where appropriate) for each half and full year present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with accounting standards; (b) the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and (c) the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.
<p>Recommendation 4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor</p>	<p>The Company complies with this recommendation.</p> <p>From time to time, the Company may release periodic corporate reports which are not subject to review or audit by external auditors. Where a periodic report is not subject to review/audit, the Company ensures it employs processes which minimise the chance of error in the report. The processes adopted depend to some extent on the nature of the report being issued. Generally, this involves engaging with relevant internal stakeholders throughout the report generation process from start to finish, culminating in internal sign-off by relevant stakeholders that the portion of the report to which they have contributed is accurate.</p> <p>All periodic reports are also subject to approval from the Board or a Board Committee before release and this approval process includes confirmation from management to the Directors that the relevant report has been reviewed and is accurate.</p>

Principles and Recommendations	Compliance by the Company
<p>Principle 5 – Make timely and balanced disclosure</p> <p><i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i></p>	
<p>Recommendation 5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	<p>The Company complies with this recommendation.</p> <p>The Company has in place a Continuous Disclosure Policy. This policy is designed to ensure that the Company, as an ASX Listed Public Company, complies with the continuous disclosure requirements of the ASX Listing Rules.</p> <p>The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive, and informed market. In accordance with continuous disclosure requirements under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management, and disclosed to the ASX in a timely manner.</p> <p>It also aims to ensure that senior management are accountable for ensuring compliance with these requirements.</p>
<p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>The Company complies with this recommendation.</p> <p>The Company has in place a Continuous Disclosure Policy. This policy provides that all members of the Board will receive copies of all material market announcements promptly after they have been made.</p>
<p>Recommendation 5.3</p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	<p>The Company complies with this recommendation.</p> <p>The Company has in place a Continuous Disclosure Policy. This policy provides that any new and substantive investor or analyst presentation will be released on the ASX Market Announcements Platform ahead of the presentation</p>

Principles and Recommendations	Compliance by the Company
<p>Principle 6 – Respect the rights of security holders</p> <p><i>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.</i></p>	
<p>Recommendation 6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>The Company complies with this recommendation.</p> <p>The Company is committed to maintaining a Company website with general information about the Company and its operations and information specifically targeted at keeping the Company’s shareholders informed about the Company.</p> <p>In particular, where appropriate, after confirmation of receipt by the ASX, the following will be posted to the Company website:</p> <ul style="list-style-type: none"> (a) relevant announcements made to the market via the ASX; (b) media releases; (c) investment updates; (d) Company presentations and media briefings; (e) copies of press releases and announcements for the preceding three years; and (f) copies of annual and half yearly reports including financial statements for the preceding three years. <p>This Policy will be formally reviewed by the Board each year.</p>
<p>Recommendation 6.2</p> <p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	<p>The Company complies with this recommendation.</p> <p>The Company encourages two-way communication:</p> <ul style="list-style-type: none"> (a) through the annual general meeting by providing shareholders a reasonable opportunity to ask questions of the Board and to otherwise participate in the meeting; and (b) by providing shareholders with information via the Company’s website and its facility to receive email communications from shareholders.

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Principles and Recommendations	Compliance by the Company
<p>Recommendation 6.3</p> <p>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	<p>The Company complies with this recommendation.</p> <p>The Company has disclosed its Policies on its website.</p> <p>The Company ensures that Shareholders are forwarded documents according to their preferences as notified to the Share Registry, including Notices to each Annual General Meeting or General Meeting held during each year, the Annual Report of the Company, Notice of Meetings and Explanatory Memorandum and Proxy Forms and are invited to attend each shareholder meeting. The Company's External Auditor is also invited and is present at Annual General Meetings to answer any queries shareholders may have with regard to the audit, and preparation and content of the Audit Report. The Company actively encourages shareholders to provide their email contact details so that they can receive all material ASX releases as they are released to the market.</p>
<p>Recommendation 6.4</p> <p>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p>	<p>The Company complies with this recommendation.</p>
<p>Recommendation 6.5</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<p>The Company complies with this recommendation.</p> <p>To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and email addresses of the Company and all directors (via the website) for shareholders to make their enquiries.</p> <p>The Company, where appropriate, after confirmation of receipt by the ASX, will post the following to the Company website:</p> <ul style="list-style-type: none"> (a) relevant announcements made to the market via the ASX; (b) media releases; (c) investment updates; (d) Company presentations and media briefings; (e) copies of press releases and announcements for the preceding three years; and (f) copies of annual and half yearly reports including financial statements for the preceding three years. <p>This Policy will be formally reviewed by the Board each year.</p>

Principles and Recommendations	Compliance by the Company
<p>Principle 7 - Recognise and manage risk</p> <p><i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</i></p>	
<p>Recommendation 7.1</p> <p>The board of a listed entity should:</p> <ul style="list-style-type: none"> (a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework. 	<p>As a consequence of the size and composition of the Board, the Company does not comply with this recommendation.</p> <p>A separate Audit & Risk Management Committee has not been constituted and the functions of this committee are therefore carried out by the Board of Directors.</p> <p>The Board has established a separate Audit and Risk Committee Charter, which is disclosed on the Company's website within the Corporate Governance Charter. Pursuant thereto, the Board as a whole has responsibilities typically assumed by a risk committee, including but not limited to:</p> <ul style="list-style-type: none"> (d) ensuring that an appropriate risk-management framework is in place and is operating properly; and (e) reviewing and monitoring legal and policy compliance systems and issues.

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Principles and Recommendations	Compliance by the Company
<p>Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <ul style="list-style-type: none"> (a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place. 	<p>The Company complies with this recommendation.</p> <p>The Board is responsible for the oversight of the Company’s risk management and control framework.</p> <p>The Audit and Risk Committee Charter provides that the Board’s duties include:</p> <ul style="list-style-type: none"> (a) To oversee the establishment and implementation by management of a system for identifying, assessing, monitoring, and managing material risk throughout the Company. This system will include the Company’s internal compliance and control systems. (b) To review at least annually the Company’s risk management systems to ensure the exposure to the various categories of risk are minimised prior to endorsement by the Board. (c) To determine the Company’s risk profile describing the material risks, including both financial and non-financial matters, facing the Company. (d) To regularly review and update the risk profile. <p>The Board will disclose in relation to each reporting period whether a review was undertaken.</p>
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes. 	<p>The Company complies with this recommendation.</p> <p>The Company does not currently have an internal audit function but may establish and announce its establishment in the future.</p> <p>Until that time, the Company’s process for evaluating and continually improving the effectiveness of its risk management and internal control processes is a matter for the Board, which performs all key elements of an internal audit function, including:</p> <ul style="list-style-type: none"> (a) evaluating, seeking and obtaining reasonable assurance that risk management, control and governance systems are functioning as intended and will enable the Company’s objectives and goals to be met; (b) evaluating information security and associated risk exposures; (c) evaluating regulatory compliance programs with consultation from internal and external legal counsel; (d) evaluating the Company’s preparedness in case of business interruption; and (e) providing oversight of the Company’s anti-fraud programs.

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<p>Recommendation 7.4</p> <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>The Company complies with this recommendation.</p> <p>The Company will disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>
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Principles and Recommendations	Compliance by the Company
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Principle 8 – Remunerate fairly and responsibly

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retrain and motivate high quality senior executives and to align their interests with the creation of value for security holders.

<p>Recommendation 8.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p style="margin-left: 20px;">(i) has at least three members, a majority of whom are independent directors; and</p> <p style="margin-left: 20px;">(ii) is chaired by an independent director.</p> <p style="margin-left: 20px;">and disclose:</p> <p style="margin-left: 20px;">(iii) the charter of the committee;</p> <p style="margin-left: 20px;">(iv) the members of the committee; and</p> <p style="margin-left: 20px;">(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>As a consequence of the size and composition of the Board, the Company does not comply with this recommendation.</p> <p>The Board as a whole performs the function of the Remuneration Committee, which includes setting the Company’s remuneration structure, determining eligibilities to incentive schemes, assessing performance and remuneration of senior management and determining the remuneration and incentives of the Board.</p> <p>The Board may obtain external advice from independent consultants in determining the Company’s remuneration practices, including remuneration levels, where considered appropriate. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify having a separate Remuneration Committee.</p>
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Principles and Recommendations	Compliance by the Company
<p>Recommendation 8.2</p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>The Company complies with this recommendation.</p> <p>Board performance evaluations</p> <p>An evaluation of the Board's performance is normally undertaken annually by the Board. This is an internal process and does not generally involve external review of the Board or its performance. No formal Board performance evaluation was undertaken in the current reporting period as the Board is of the view that an informal performance evaluation process was appropriate for the past 12-month period.</p> <p>Director and Executive remuneration</p> <p>Details about the remuneration structure and the remuneration paid to the Directors and Senior Executives during the reporting period are set out in the Company's Financial Statements.</p>
<p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>The Company complies with this recommendation.</p> <p>The Company's Securities Trading Policy disclosed on its website prohibits Designated Personnel from trading in financial products that limit the economic risk of security holdings in the Company.</p> <p>This is in line with the requirements of the <i>Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Cth)</i>, and is intended to prevent transactions which could have the effect of distorting the proper functioning of performance hurdles or reducing the intended alignment between management's and shareholders' interests</p>