

## **CORPORATE GOVERNANCE STATEMENT**

This Corporate Governance Statement (CGS) is provided by the Board of Macarthur Minerals Limited (the Company) pursuant to ASX Listing Rule 4.10.3 and follows the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations, published as at 19 February 2019 (the Recommendations) and has considered the Recommendations to be an appropriate benchmark for its corporate governance practices.

The Company's Board is committed to a high standard of corporate governance practices, ensuring that the Company complies with the Corporations Act 2001 (Cth), ASX Listing Rules, Company Constitution and other applicable laws and regulations. Where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has offered full disclosure and reason for adoption of its own practice, in compliance with the "if not, why not" regime.

This CGS was approved by the Board of Macarthur Minerals Limited on 30 June 2022 and is effective as at 30 June 2022 and is in addition to the Company's Appendix 4G which is lodged together with the ASX together with this CGS.

**Macarthur Minerals Limited**

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Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
	<p>period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes) or, if the Company is a relevant employer" under the <i>Workplace Gender Equality Act 2012 (Cth)</i>, the Company's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>		<p>valued, are empowered to bring their full, authentic selves to work and have equal access to opportunities that help them reach their full potential. This includes developing plans, as the Company grows, for Aboriginal and Torres Strait Islander employment, disability employment, employees from culturally and linguistically diverse backgrounds, young professionals and mature age employees, gender equity and LGBTIQ+ inclusion.</p> <p>The proportion of women employees in the whole organisation is currently 60% (excluding directors). There are currently no women in senior executive positions, except for the Company Secretary or on the Board. Due to its size and stage of development, the Company does not think that it is appropriate to state measurable objectives for achieving gender diversity but increasing the proportion of women in roles across all levels of the Company (including on the Board, where appropriate, as vacancies arise) is a key focus in the short to medium term.</p>
1.6	<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 was undertaken in accordance with that process during or in respect of that period.</p>	<p>Yes</p> <p>No</p>	<p>The Board Charter, which is included in the Corporate Governance section on the Company's website details the process for evaluating the Board, its committees and individual Directors.</p> <p>During the last 12 months, the Board did not conduct a performance evaluation. The Company believes that the small size of the Board and the current scale of the Company's activities makes the establishment of a formal performance evaluation procedure unnecessary.</p> <p>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.</p> <p>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.</p>
1.7	A listed entity should:		

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	<p>(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation was undertaken in accordance with that process during or in respect of that period.</p>	<p>Yes</p> <p>No</p>	<p>The Board Charter, which is included in the Corporate Governance section 8.5 on the Company's website refers to the performance evaluation of Executive Management and management.</p> <p>During the last 12 months, the Board did not conduct a senior management performance evaluation. The Company believes that the small size of the management team and the current scale of the Company's activities makes the establishment of a formal performance evaluation procedure unnecessary.</p> <p>Employee numbers during the 2022 financial year were limited to less than 10. Given the limited employee numbers performance evaluation is a process undertaken informally. Staff matters (including performance) are discussed on a regular basis and at a minimum, annually.</p>
<p><b>2. Structure the Board to be effective and add value</b></p>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director;</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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>No</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>The Company has a Remuneration and Nomination Committee which currently has two (2) members. This committee comprises of:</p> <p>(a) Andrew Suckling - Non-Executive Director (Independent) (Chairman of the Committee); and</p> <p>(b) Alan Spence Phillips – Non-Executive Director (Not considered to be independent).</p> <p>Daniel Lanskey - Non-Executive (Independent); resigned as of 27 October 2021.</p> <p>It is Chaired by an independent Director.</p> <p>The Remuneration and Nomination Committee has adopted a formal charter which sets out the role and terms of reference of the Remuneration and Nomination Committee. The Remuneration and Nomination Committee Charter is available at <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a>.</p> <p>As at the end of the reporting period 01/04/21-31/03/22 the committee has met 4 times.</p>

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2.2	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.	Yes	Details of the current Directors, their skills, experience and qualifications and the Board's skill matrix are set out on the "Our Board" page of the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> . These details, plus a record of attendance at meetings, are included in the Directors' Report within the annual report.
2.3	A listed entity should disclose: <ul style="list-style-type: none"> <li>(a) the names of the directors considered by the board to be independent directors;</li> <li>(b) if a director has an interest, position or relationship that might cause doubts about the independence of a director but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</li> <li>(c) the length of service of each director.</li> </ul>	Yes	<p>Andrew Suckling is considered to be independent Director. Daniel Lanskey, who resigned as of 27 October 2021 was also considered independent Director.</p> <p>The length of service of each Director is set out below:</p> <ul style="list-style-type: none"> <li>• Cameron McCall, appointed 27 April 2015.</li> <li>• Alan Joseph Phillips, appointed 11 October 2017.</li> <li>• Alan Spence Phillips, appointed 19 October 2005.</li> <li>• Andrew Suckling, appointed 21 May 2019.</li> <li>•</li> </ul>
2.4	The majority of the Board should be independent directors.	No	<p>The Company is of the view that the Board does not consist of a majority of independent Directors. Cameron McCall is employed in a non-executive capacity as Chairman and is a security holder of the Company, Alan Joseph Phillips is employed in an executive capacity as Managing Director and is a security holder of the Company. Alan Spence Phillips was employed in an executive capacity until 31 December 2016 and is a security holder of the Company. Andrew Suckling is considered to be independent Director as he is not part of the management team and regards himself as being free of any relationship (other than that of shareholder of the Company) that could materially interfere with the independent exercise of their judgement.</p> <p>The Board will consider appointing further independent Directors in the future, when the Company is of sufficient size and having regard to the scale and nature of its activities. 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 Securityholders.</p>
2.5	The chair of the Board should be an independent director and, in particular,	No	The Chairman of the Board, Mr McCall, is not considered an independent Director by

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	should not be the same person as the CEO of the entity.		virtue of the fact that he was employed until 30 November 2020 in an executive capacity as Executive Chairman. 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 Security holders.
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	In accordance with the Board Charter, all Directors are briefed with respect to the nature of operations and the strategic direction of the Company. Induction documents are provided with a written engagement letter and the Company Secretary is available to assist with the process of new Directors familiarising themselves with the Company. Professional development requirements are addressed as circumstances require.
<b>3. Instil a culture of acting lawfully, ethically and responsibly</b>			
3.1	A listed entity should articulate and disclose its values.	Yes	<p>The Company values are outlined in the Company's Code of Conduct which acts as a meaningful statement of the way the Company and individuals do business.</p> <p>The Company's Code of Conduct is available on the its website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a>.</p>
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	Yes	<p>The Company's Code of Conduct applies to all Directors, senior executives and employees.</p> <p>The Code of Conduct promotes business practices to maintain the Company's integrity and reflects the Company's commitment to ethical and responsible decision-making. It is a meaningful statement of the Company's core values and is promoted as such across the Company and reinforced by proper training and proportionate disciplinary action if it is breached. The Company's directors, senior executives, employees, consultants and contractors are required to comply with this policy when dealing with each other, shareholders, customers and the broader community. All consultants and contractors are required to maintain high standards of ethical behaviour in the execution of their duties and comply with all applicable laws and regulations in Australia and in every other country in which the Company engages in business.</p> <p>The Company's Board Charter requires that the Company's Audit and Risk Committee implements appropriate reporting systems and controls in place to</p>

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			assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately. This includes breaches of the Code of Conduct.
3.3	A listed entity should: (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.	Yes	The Company has a Whistleblower Policy. The Whistleblower Policy is available on its website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> .  The Company's Board Charter requires that the Company's Audit and Risk Committee implements appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately. This includes any incidents reported under the Whistleblower Policy.
3.4	A listed entity should: (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.	Yes	The Company has an Anti-bribery and Corruption Policy. The Anti-bribery and Corruption Policy is contained on its website: <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> .  The Company's Board Charter requires that the Company's Audit and Risk Committee implements appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately. This includes any material breaches of the Anti-bribery and Corruption Policy.
<b>4. Safeguard the integrity of corporate reports</b>			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board; and and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the	No  Yes  Yes  Yes	The Company's Audit and Risk Committee consists of two (2) members, all of whom are non-executive Directors. This committee comprises: (a) Andrew Suckling - Non-Executive Director (Independent) (Chairman of the Committee); (b) Alan Spence Phillips – Non-Executive Director (Not considered to be independent).  Daniel Lanskey – Non-executive Independent Director, resigned as of 27 October 2021.  The Audit and Risk Committee is Chaired by Andrew Suckling, who is an independent Director. The Charter of the Committee is available on its website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> .  The relevant qualifications and experience of the members of the Committee are

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	<p>members of the committee; and</p> <p>(5) 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 the entity 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>		disclosed on the Company's website. The number of times that the Committee met during the period and the individual attendances of the members at those meetings are disclosed in the Company's Directors' Report (contained in the 2022 Annual Report).
4.2	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.	Yes	Under the Company's Audit and Risk Committee Charter, which is included in the Corporate Governance Charter available on its website, the CEO and CFO will provide, before the Company approves its financial statements for a financial period, a written declaration of assurance that in their opinion, the financial records of the Company for the relevant reporting period have been properly maintained, comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market is not audited or reviewed by an external auditor.	Yes	The Company takes all reasonable steps to ensure the external auditor is represented at each annual general meeting to answer questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.
<b>5. Make timely and balanced disclosure</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under ASX Listing Rule 3.1.	Yes	The Company has adopted a Continuous Disclosure Policy which can be accessed at the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> (under Corporate Governance).
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	The Company ensures that the Board receives copies of all material market announcements for review prior to the announcements being made.

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5.3	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.	Yes	The Company will release a copy of presentation materials on the ASX Market Announcements Platform prior to presenting to a new and substantive investor or analyst.
<b>6. Respect the rights of security holders</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its corporate governance is available on the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> .
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company has an investor communications strategy and Communications Policy which can be accessed at the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> . The Company allows shareholders to send communications electronically to the Company via the Company website.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	Securityholders will be encouraged to participate at all EGMs and AGMs of the Company. Upon despatch of any notice of meeting to Securityholders, the Company Secretary shall send out material with that notice stating that all Securityholders are encouraged to participate at the meeting.
6.4	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.	No	The Company's Constitution states that a poll may be demanded, before any vote on a resolution is taken, or before the voting results on a show of hands is declared or immediately after the voting results on a show of hands are declared. The Company considers that these requirements adequately protect the interests of Securityholders.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	The Company is committed to maintaining the Company Website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> with general information about the Company and its operations and information specifically targeted at keeping the Company's Securityholders informed about the Company. Regular reports are released through the ASX and the TSX-V as well as the media.
<b>7. Recognise and manage risk</b>			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are	Yes	The Company's Audit and Risk Committee consists of two (2) members, all of whom are non-executive Directors. This committee comprises: (a) Andrew Suckling - Non-Executive Director (Independent) (Chairman of the Committee);

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	<p>independent directors; and</p> <p>(2) is chaired by an independent director; and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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 risk committee or committees that satisfy (a) above, disclose that fact and the processes it employees for overseeing the entity's risk management framework.</p>		<p>(b) Alan Spence Phillips – Non-Executive Director (Not considered to be independent).</p> <p>Daniel Lanskey – Non-Executive (Independent) Director resigned as of 27 October 2021.</p> <p>The Audit and Risk Committee is Chaired by Andrew Suckling, who is an independent Director. The Charter of the Committee is available on the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a>.</p> <p>The relevant qualifications and experience of the members of the Committee are disclosed on the Company's website. The number of times that the Committee met during the period and the individual attendances of the members at those meetings are disclosed in the 2022 annual report.</p>
7.2	<p>The board or committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>The Company's process for risk management and internal compliance includes a requirement for the Board to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. The Company has adopted a Risk Management Policy and accompanying Risk Management Framework which is reviewed on an annual basis.</p> <p>The Board reviews and addresses risk at each Board meeting and will disclose at the end of each reporting period, whether a review of its risk management framework has been undertaken.</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluation and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	No	<p>Due to the size of the operations, the Company does not have an internal audit function.</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to environmental or social risks and if it</p>	Yes	<p>Disclosure is made in the 2022 annual report (Management Discussion and</p>

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	does, how it manages or intends to manage those risks.		Analysis) about any material exposure to environmental or social risk.
<b>8. Remunerate fairly and responsibly</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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>No</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>The Company's Remuneration and Nomination Committee consists of two (2) members, all of whom are non-executive Directors This committee comprises:</p> <p>(a) Andrew Suckling - Non-Executive Director (Independent) (Chairman of the Committee);</p> <p>(b) Alan Spence Phillips – Non-Executive Director.</p> <p>Daniel Lanskey – Non-Executive (Independent) Director resigned as of 27 October 2021.</p> <p>The Remuneration and Nomination Committee is Chaired by Andrew Suckling, who is an independent Director. The Charter of the Committee is available on the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a>.</p> <p>As at the end of the reporting period 01/04/21-31/03/22 the committee has met 4 times.</p>
8.2	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.	Yes	<p>Details of the Company's policies and practices regarding the remuneration of Directors and other senior management is set out in the Company's Remuneration Policy, as disclosed in the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> (under the Corporate Governance section) and the Remuneration Report as disclosed in the Company's Directors' Report (contained in the 2022 annual report).</p>

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8.3	<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 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>	Yes	<p>Under the Company's Share Trading Policy (disclosed at the Company's website <a href="https://macarthurminerals.com/about/corporate-governance/">https://macarthurminerals.com/about/corporate-governance/</a>) no Restricted Persons may Deal in any Securities of the Company without first requesting clearance in writing from the Clearance Officer.</p> <p>The Share Trading Policy provides that a Restricted Person may enter into a margin loan or similar funding arrangement in respect of any Company securities (<b>Funding Arrangements</b>) but must disclose the existence of the Funding Arrangements to a Clearance Officer who shall notify the Board.</p> <p>The Company's Remuneration and Nomination Committee is responsible for reviewing and making recommendations to the Board regarding equity-based remuneration plans, in compliance with the Company's Remuneration Policy as disclosed in the Company's website <a href="http://www.macarthurminerals.com">www.macarthurminerals.com</a> (under the Corporate Governance section).</p>