

CALIDUS RESOURCES LIMITED

AND CONTROLLED ENTITIES

ABN 98 006 640 553

CORPORATE GOVERNANCE STATEMENT

The Board is responsible for establishing the Company's corporate governance framework. In establishing its corporate governance framework, the Board has referred to the 4th Edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

The Corporate Governance Statement discloses the extent to which the Company follows the recommendations. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The Company's governance related documents can be found on its website at www.calidus.com.au under the section marked About – Corporate Governance.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	COMPANY EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) 3B those matters expressly reserved to the board and those delegated to management.	YES	The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management and has documented this in its Board Charter. The responsibilities of the Board include but are not limited to: (a) setting and reviewing strategic direction and planning; (b) reviewing financial and operational performance; (c) identifying principal risks and reviewing risk management strategies; and (d) considering and reviewing significant capital investments and material transactions. In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, shareholders, co-ventures, the government and the community.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	YES	The Board carefully considers the character, experience, education and skillset, as well as interests and associations of potential candidates for appointment to the Board and conducts appropriate checks to verify the suitability of the candidate, prior to their election. The Company has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a director, is disclosed in the notice of meeting provided to shareholders.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	YES	The Company has a written agreement with each of the Directors. The material terms of any employment, service or consultancy agreement the Company, or any of its child entities, has entered into with its Chief Executive Officer, any of its directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its directors will be disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).
Recommendation 1.4 (a) 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.	YES	The Company Secretary is accountable to the Board for facilitating the Company's corporate governance processes and the 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 or removal of the Company Secretary is a matter for the Board as a whole. Details of the Company Secretary's experience and qualifications are set out in the Annual Report.

Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; (c) disclose in relation to each reporting period: (1) the measurable objectives set out for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) 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 (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.	YES The Company is committed to creating a diverse working environment and promoting a culture which embraces diversity and has adopted a written Diversity Policy. The Company's Diversity Policy is Schedule 10 of the Corporate Governance Plan which provides a framework for the company to achieve diversity objectives and is available on the Company website: https://www.calidus.com.au/about/corporate-governance/ The Company appointed Ms Kate George as Non-Executive Director on 1 February 2022, therefore the Board currently has 25% female members. The Company Secretary, Ms Julia Beckett, is also female. Now that Calidus is in gold production at the Warrawoona Gold Project, the Company will develop measurable objectives for achieving gender diversity and equality in the workforce with an opportunity to recruit and retain the best people from the talent pool available whilst having a culture that values and respects differences.
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES The Remuneration and Nomination Committee meets at least annually to evaluate the performance of the Board, its committees, individual directors and senior executives. The Remuneration and Nomination Committee completed its review on 19 January 2022, with the benchmark of remuneration and fees for these positions based on a selection of ASX listed resource developers from publicly available information. This is disclosed in the Directors' Report within the Annual Report.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose for each reporting period, whether a performance evaluation was undertaken in accordance with that process during or in respect of that period.	YES Refer above.

Principle 2: Structure the board to be effective and add value

Recommendation 2.1

The board of a listed entity should:

- (a) have a nomination committee which:
 - (1) has at least three members, a majority of whom are independent directors; and
 - (2) is chaired by an independent director, and disclose:
 - (3) the charter of the committee;
 - (4) the members of the committee; and
 - (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
- (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, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.

YES The Company has a Remuneration and Nomination Committee with three non-executive members being Mark Connelly (Chair), John Ciganek and Kate George, all of which are independent directors. The Nomination and Remuneration Committee meet at least annually to review the skill mix required for the Board and, where gaps are identified, they embark on a process to fill those gaps. This is undertaken on an informal basis.

The Remuneration and Nomination Committee Charter is Schedule 3 of the Company's Corporate Governance Plan available on the Company website: <https://www.calidus.com.au/about/corporate-governance/>

Recommendation 2.2

A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

NO The details of the skill set of the current Board members are set out in the description of each Director in the Annual Report. The Board believes that the current skill mix is appropriate as a publicly listed gold development company.

Recommendation 2.3

A listed entity should disclose:

- (a) the names of the directors considered by the board to be independent directors;
- (b) if a director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (4th Edition), 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
- (c) the length of service of each director.

YES The Board comprises four directors, three of whom are independent directors as detailed below:

- Mark Connelly Non-Executive Chairman (Independent)
- David Reeves Managing Director (Not Independent)
- John Ciganek Non-Executive Director (Independent)
- Kate George Non-Executive Director (Independent) (*appointed 1 February 2022*)

The Board aims to ensure that it has a mix of skills and capabilities among its members, including technical skills, business development experience and financial management experience. The Board considers that the directors collectively bring the range of skills, knowledge and experience necessary to direct the Company. The size and composition of the Board, and its mix of skills and capabilities, is expected to change as the Company evolves.

A profile of each director containing their skills, experience, expertise and term of office is set out in the Directors' Report within the Annual Report.

Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	YES	The Board comprises four directors of whom three are considered to be Independent Directors as at the date of this report. Refer above.
Recommendation 2.5 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.	YES	Mr Mark Connelly is Non-Executive Chairman and is an independent director.
Recommendation 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 to maintain the skills and knowledge needed to perform their role as directors effectively.	YES	The Board is responsible for reviewing and making recommendations to the Board with respect to succession planning for the Board, director induction programs and continuing development. The Board is also responsible for developing director induction programs that are undertaken by each new and existing director and reviewing the effectiveness of the induction program. In accordance with the Board Charter, each director has the right to seek independent professional advice to assist them to carry out their duties as directors, at the expense of the Company, after consultation with the Chairman. No independent professional advice was sought during the financial year. All directors also have access to the management of the Company, including the Company Secretary.
Principle 3: Instil a culture of acting lawfully, ethically and responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values.	YES	The Company is committed to promoting good corporate conduct grounded by strong ethics and responsibility. The Company has established a Code of Conduct (Code), which 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 disclosed on the Company's website (https://www.calidus.com.au/about/corporate-governance/). The Code applies to all Directors, employees, contractors and officers of the Company. The Code of Conduct is Schedule 1 of the Corporate Governance Plan and is available on the Company website: https://www.calidus.com.au/about/corporate-governance/
Recommendation 3.2 A listed entity should: (a) have and disclose 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.	YES	The Company has a Code of Conduct which is disclosed to directors, senior executives and employees. Refer above. The Company ensures that the Board is informed of any material breaches of that Code.
Recommendation 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 can be found on the Company website: https://www.calidus.com.au/about/corporate-governance/ The Company ensures that the board is informed of any material incidents reported under the policy.

Recommendation 3.4

A listed entity should:

- (c) have and disclose an anti-bribery and corruption policy; and
- (d) ensure that the board or a committee of the board is informed of any material incidents breaches of that policy.

YES The Company's Anti-bribery and Anti-corruption Policy is Schedule 12 of the Corporate Governance Plan which can be found on the Company website:

<https://www.calidus.com.au/about/corporate-governance/>

The Company ensures that the Board is informed of any material incidents reported under the policy.

Principle 4: Safeguard integrity of corporate reports**Recommendation 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 disclose:
 - (3) the charter of the committee;
 - (4) the relevant qualifications and experience of the members of the committee; and
 - (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
- (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.

YES The Company has an Audit and Risk Committee with three non-executive members being John Ciganek (Chair), Mark Connelly and Kate George, all of whom are independent directors. The Chair of the Committee is not the Chair of the Board. The Audit and Risk Committee meet at least annually to review the skill mix required for the Board and, where gaps are identified, they embark on a process to fill those gaps. This is undertaken on an informal basis.

The Audit and Risk Charter is Schedule 2 of the Corporate Governance Plan which can be found of the Company website:

<https://www.calidus.com.au/about/corporate-governance/>

The qualifications of each member of the Committee are disclosed in the Company's Annual Report.

The number of times the Audit and Risk Committee meets is disclosed in the Company's Annual Report.

Recommendation 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 In accordance with ASX Recommendation 4.2 the Chief Executive Officer (or their equivalent) and Chief Financial Officer (or their equivalent) are required to provide assurances that the written declarations under s295A of the Corporations Act (and for the purposes of ASX Recommendation 4.2) are founded on a sound framework of risk management and internal control and that the framework is operating effectively in all material respects in relation to financial reporting risks. Both the Chief Executive Officer and Chief Financial Officer provide such assurances at the time the s295A declarations are provided to the Board.

Recommendation 4.3 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.	YES The Company is committed to providing clear, concise and accurate corporate reports so investors can make informed investment decisions. The Company ensure processes are in place in order to protect the integrity of the period corporate reports before it releases them to the market. The Company's external audit function is performed by Moore Australia. Representatives of Moore Australia will attend the Annual General Meeting and be available to answer shareholder questions regarding the audit.
Principle 5: Make timely and balanced disclosure	
Recommendation 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	YES The Company operates under the continuous disclosure requirements of the ASX Listing Rules and has adopted a policy, which is disclosed on the Company's website. The Continuous Disclosure Policy sets out policies and procedures for the Company's compliance with its continuous disclosure obligations under the ASX Listing Rules, and addresses financial markets communication, media contact and continuous disclosure issues. It forms part of the Company's corporate policies and procedures and is available to all staff. The Continuous Disclosure Policy is Schedule 5 of the Corporate Governance Plan which can be found of the Company website: https://www.calidus.com.au/about/corporate-governance/ The Company Secretary manages the policy. The policy will develop over time as best practice and regulations change and the Company Secretary will be responsible for communicating any amendments.
Recommendation 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 Secretary is responsible to distribute all material market announcements electronically to the Board promptly after they have been made. Further details are set out in the Company's Continuous Disclosure Policy.
Recommendation 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 Markets Announcements Platform ahead of the presentation.	YES All slides and presentations used for briefings and analyst presentations are released and uploaded on the ASX Market Announcements Platform prior to the briefing to the market. Further details are set out in the Company's Continuous Disclosure Policy.
Principle 6: Respect the rights of security holders	
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES The Company keeps investors informed of its corporate governance, financial performance and prospects via its website – www.calidus.com.au. Investors can access copies of all announcements to the ASX, notices of meetings, annual reports and financial statements, and investor presentations via the 'Investors' tab and can access general information regarding the Company and the structure of its business under the 'About' tab on its website.

Recommendation 6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	YES The Board aims to ensure that shareholders are informed of all major developments affecting the Company's state of affairs. In accordance with the ASX Recommendations, information is communicated to shareholders as follows: • the annual financial report which includes relevant information about the operations of the Company during the year, changes in the state of affairs of the entity and details of future developments, in addition to the other disclosures required by the Corporations Act 2001; • the half yearly financial report lodged with the ASX and ASIC and sent to all shareholders who request it; • notifications relating to any proposed major changes in the Company which may impact on share ownership rights that are submitted to a vote of shareholders; • notices of all meetings of shareholders; • publicly released documents including full text of notices of meetings and explanatory material made available on the Company's website at www.calidus.com.au; and • disclosure of the Corporate Governance practices and communications strategy on the entity's website. While the Company aims to provide sufficient information to Shareholders about the Company and its activities, it understands that Shareholders may have specific questions and require additional information. 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 relevant contact for Shareholders to make their enquiries.
Recommendation 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	YES The Board encourages full participation of shareholders at the Annual General Meeting and General Meetings (subject to COVID-19 restrictions) to ensure a high level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as single resolutions. The external auditor of the Company is also invited to the Annual General Meeting of shareholders and is available to answer any questions concerning the conduct, preparation and content of the auditor's report. Pursuant to section 249K of the Corporations Act 2001 the external auditor is provided with a copy of the notice of meeting and related communications received by shareholders.
Recommendation 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.	YES All substantive resolutions at a meeting of the Company's security holders are decided by poll.
Recommendation 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 provides its investors the option to receive communications from and send communications to the Company and the share registry electronically.

Principle 7: Recognise and manage risk**Recommendation 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 independent directors; and
 - (2) is chaired by an independent director,and disclose:
 - (3) the charter of the committee;
 - (4) the members of the committee; and
 - (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
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.

YES The Company has an Audit and Risk Committee with three non-executive members being John Ciganek (Chair), Mark Connelly and Kate George, all of which are independent. The Chair of the Committee is not the Chair of the Board.

The Audit and Risk Charter is Schedule 2 of the Corporate Governance Plan which can be found of the Company website:
<https://www.calidus.com.au/about/corporate-governance/>

The qualifications of each member of the Committee are disclosed in the Company's Annual Report.

The number of times the Audit and Risk Committee meets is disclosed in the Company's Annual Report.

Recommendation 7.2

The board or a committee of the board should:

- (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
- (b) disclose, in relation to each reporting period, whether such a review has taken place.

YES The Board recognises that there are inherent risks associated with the Company's operations including commercial, technological legal and other operational risks. The Board endeavours to mitigate such risks by continually reviewing the activities of the Company in order to identify key business and operational risks and ensuring that they are appropriately assessed and managed. No formal report in relation to the Company's management of its material business risks is presented to the Board. The Board reviews the risk profile of the Company and monitors risk informally throughout the year.

Recommendation 7.3

A listed entity should disclose:

- (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.

YES The Company does not have an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's Risk Management Policy.

Recommendation 7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	YES As outlined above in relation to various ASX Recommendations, the Company constantly monitors and reviews the key risks that affect the Company and the management of those risks. The risks which the Company has identified that it has a material exposure to are its ability to raise funds within an acceptable time frame and on terms acceptable to it (“Capital Risk”); and that its existing projects, or any other projects that it may acquire in the future, will be able to be economically exploited (“Economic Risk”). The manner in which the Company manages those risks, in the case of Capital Risk, to monitor the market and investment appetite and to raise further required capital in a timely manner such that the Company’s operations are adequately funded; in the case of Economic Risk, to adopt a diversified portfolio approach and to also adopt a focused approach, seeking to lay off risk where possible.
Principle 8: Remunerate fairly and responsibly	
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (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 (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.	YES The Company has a Remuneration and Nomination Committee with three non-executive members being Mark Connelly (Chair), John Ciganek and Kate George, all of which are independent. The Nomination and Remuneration Committee meet at least annually to review the skill mix required for the Board and, where gaps are identified, they embark on a process to fill those gaps. This is undertaken on an informal basis.
Recommendation 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 Details of the Company’s policies on remuneration are set out in the Company’s “Remuneration Report” in each Annual Report published by the Company. This disclosure will include a summary of the Company’s policies regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company’s financial statements.

Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should:

- (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
- (b) disclose that policy or a summary of it.

YES The Company's Security Trading Policy includes a statement prohibiting directors, officers and employees from dealing at any time in financial products such as warrants, futures or other financial products, that specifically prohibits entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of their security holding in the Company or of participating in unvested entitlements under the equity based remuneration schemes.

Security Trading Policy

In accordance with ASX Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:

- a) closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;
- b) trading in the Company's securities which is not subject to the Company's trading policy; and
- c) the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Security Trading Policy is Schedule 7 of the Corporate Governance Plan and can be found on the Company's website:

<https://www.calidus.com.au/about/corporate-governance/>