



## **CORPORATE GOVERNANCE STATEMENT 30 JUNE 2022**

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The Board of Matsa Resources Limited (“Board”) is responsible for the oversight of effective corporate governance of the Company. As custodians of the Company’s assets, the Board guides and monitors the business and affairs of the Company on behalf of both shareholders and other stakeholders. The Company’s governance approach aims to achieve the highest standards of corporate governance arrangements appropriate to the Company’s needs.

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.

The Company has followed the 4th edition of the ASX Corporate Governance Council’s Principles and Recommendations (“Principles and Recommendations”) where the Board has considered the recommendations to be an appropriate benchmark for its corporate governance practices. Where a recommendation has not been followed, that fact is disclosed, together with the reasons for the departure.

A description of the Company’s main corporate governance practices is set out below and was adopted by the Board on 30 September 2021 after the Board considered and approved amendments. The Company’s corporate governance policies were reviewed during the year and updated in January 2022.

For further information on corporate governance policies adopted by the Company, refer to the corporate governance section of our website: [www.matsa.com.au](http://www.matsa.com.au)

This statement was approved by the Board on 29 September 2022.

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Principle #	ASX Corporate Governance Council Recommendations	Comply (Y/N)	Disclosure
<b>Principle 1</b>	<b>Lay solid foundations for management and oversight</b>		
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) those matters expressly reserved to the board and those delegated to management.	Y	The Board Charter details the functions and responsibilities of the Board and management, including matters reserved for the Board. The Board Charter is included in the Corporate Governance Statement on the Company's website.
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.	Y	<p>The full Board undertakes the duties that fall to the nomination committee under the Company's Nomination Committee Charter, which is included in the Corporate Governance Statement on the Company's website.</p> <p>The role of the Nomination Committee is to identify and recommend candidates to fill casual vacancies and to determine the appropriateness of director nominees for election to the Board. The Nomination Committee Charter requires the Board to make appropriate background checks prior to recommending a candidate for election or re-election as a director. The Board must identify and recommend candidates only after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after an assessment of how the candidate can contribute to the strategic direction of the Company.</p> <p>All material information relevant to whether or not to elect or re-elect a director is provided to the Company's shareholders as part of the Notice of Meeting and explanatory memorandum for the relevant meeting of shareholders which addresses the election or re-election of a director.</p>

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1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Y	The Remuneration Committee Charter, which is included in the Corporate Governance Statement on the Company's website, requires the Company to have a written agreement with each Director and senior executive setting out the terms of their engagement. Each Non-Executive Director and senior executive has written agreements with the Company.
1.4	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.	Y	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
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; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for the 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	Y	The Company has adopted a Diversity Policy which is included in the Corporate Governance Statement on the Company's website. The Company recognises that a diverse and talented workforce is a competitive advantage and encourages a culture that embraces diversity. The Company does not think that it is appropriate to state measurable objectives for achieving gender diversity due to its size and stage of development. The proportion of woman employees in the Company is 38% (excluding directors). There are currently no women on the Board. The Company was not in the S&P/ASX 300 Index at the commencement of the reporting period.

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1.5	<p>(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 and published under that Act.</p> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Y	<p>The Board Charter, which is included in the Corporate Governance Statement on the Company’s website, details the process for evaluating the Board, its committees and individual Directors. The Chairman conducts performance evaluations which involve an assessment of each board member’s performance against specific and measurable qualitative and quantitative performance criteria. The performance criteria against which Directors and Executives are assessed is aligned with the financial and non-financial objectives of the Company.</p> <p>A formal performance evaluation was not undertaken during the period.</p>
1.7	<p>A listed entity should:</p> <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 has been undertaken in accordance with that process or in respect of that period.</p>	Y	<p>Formal performance evaluation of staff members is undertaken by the Chairman on an annual basis. Staff performance reviews were undertaken in the 2022 financial year.</p>

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<b>Principle 2</b>	<b>Structure the board to be effective and add value</b>		
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(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</li> </ul> <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>	N	<p>The Company has a nomination committee consisting of the full Board. The Board has decided that no efficiencies will be achieved by establishing a separate nomination committee. The Board carries out the duties that would otherwise be undertaken by the nomination committee, in accordance with the Nomination Committee Charter, which is included in the Corporate Governance Statement on the Company's website. The Board intends to reconsider the requirement for, and benefits of, a separate nomination committee as the Company's operations grow and evolve.</p> <p>As a matter of practice, potential candidates for the office of Director are assessed to ensure they possess the relevant skills, experience, personal attributes and capability to devote the necessary time and commitment to the role in order to discharge duties both responsibly and effectively.</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	N	<p>The Company does not currently have or disclose a board skills matrix. Given the nature and size of the Company the Board utilises its assessment process in 2.1 (a) above when looking at its overall board skills.</p> <p>The Company will consider developing and disclosing a board skills matrix as the Company's operation grow.</p>

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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, 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 or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Y	<p>As at 29 September 2022 the Board consisted of:</p> <table> <tr> <th>Name</th><th>Position</th><th>Independent</th><th>Date Appointed</th></tr> <tr> <td>Paul Poli</td><td>Executive Chairman</td><td>N</td><td>December 2008</td></tr> <tr> <td>Franciscus Sibbel</td><td>Non-Executive Director</td><td>Y</td><td>October 2010</td></tr> <tr> <td>Pascal Blampain</td><td>Executive Director</td><td>N</td><td>February 2021</td></tr> <tr> <td>Andrew Chapman</td><td>Director/Company Secretary</td><td>N</td><td>December 2009</td></tr> </table>	Name	Position	Independent	Date Appointed	Paul Poli	Executive Chairman	N	December 2008	Franciscus Sibbel	Non-Executive Director	Y	October 2010	Pascal Blampain	Executive Director	N	February 2021	Andrew Chapman	Director/Company Secretary	N	December 2009
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2.4	A majority of the board of a listed entity should be independent directors.	N	<p>There is only one director who is considered independent, Franciscus Sibbel.</p> <p>Given all the circumstances attendant upon the Company (including its objectives, the nature and extent of its actual and proposed operations, its capital base and other resources, the costs associated with a board comprised of more than the current number and the need for a board comprised of persons with a blend and diversity of traits, skills, gender, experience, expertise, entrepreneurialism, innovation, tenacity, vision and dedication in order to enliven the prospects of creating value for shareholders) it is thought by the Board that to appoint further directors (whose perceived independence is beyond doubt) or to procure the departure of one of the existing directors is unnecessary.</p>																				
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.	N	Paul Poli is the Executive Chairman and not considered independent. The Company does not have a separate CEO.																				

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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.	Y	Induction and professional development form part of the responsibilities of the Nomination Committee as noted in the Nomination Committee Charter, which is included in the Corporate Governance Statement on the Company's website. 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 for directors to perform their role.
<b>Principle 3</b>	<b>Instill a culture of acting lawfully, ethically and responsibly</b>		
3.1	A listed entity should articulate and disclose its values.	N	The Company has a Code of Conduct which is included in the Corporate Governance Statement on the Company's website that sets out its principles, standards and core values which the Board, management and employees of the Company are encouraged to strive towards when dealing with each other, shareholders, other stakeholders and the broader community. With just a small number of employees, the Company does not think that it is appropriate to develop and articulate values due to its size and stage of development. The Company will review this periodically to ensure this view remains appropriate.
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.	Y	The Company has a Code of Conduct which is included in the Corporate Governance Statement on the Company's website that sets out its principles, standards and core values which the Board, management and employees of the Company are encouraged to strive towards when dealing with each other, shareholders, other stakeholders and the broader community.

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			The board is informed of any material breaches of that Code by a director or senior executive.
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.	Y	The Company has a Whistleblower Policy which is included in the Corporate Governance Statement on the Company's website. The board is informed of any material incidences under the 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.	Y	The Company has an Anti-Bribery and Corruption Policy which is included in the Corporate Governance Statement on the Company's website. The board is informed of any material incidences under the policy.
<b>Principle 4</b>	<b>Safeguarding 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 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	N	

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	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.	Y	<p>The Company does not have an audit committee but rather the Board as a whole acts as the audit committee. The Company does have an Audit Committee Charter which is included in the Corporate Governance Statement on the Company's website which outlines the processes it takes.</p> <p>With just a small number of employees, the Company does not think that it is appropriate to have a separate audit committee due to its size and stage of development. The Company will review this periodically to ensure this view is appropriate for its size and stage of development.</p>
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.	Y	The Executive Chairman and CFO will provide 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 that is not audited or reviewed by an external auditor.	Y	The Company's annual accounts and half year accounts are subject to audit and review respectively by its independent auditor. The information in the Company's quarterly reports, which are not subject to audit or review, are reviewed against the Company's operations results released during the quarter and any internally generated monthly reports and provided to the Board for approval to ensure the Company is satisfied that

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			each report is materially accurate, balanced and provides investors with appropriate information.
<b>Principle 5</b>	<b>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 Listing Rule 3.1.	Y	The Company has adopted a Continuous Disclosure Policy, which is included in the Corporate Governance Statement on the Company's website. The Policy is designed to guide compliance with ASX Listing Rule 3.1's disclosure requirements, and to ensure all Directors, senior executives and employees of the Company understand their responsibilities under the Policy.
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Y	The Company's board receives copies of all material market announcements for its review before they have been made.
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.	Y	When the Company is planning to give a new and substantive investor or analyst presentation, the Company releases a copy of the new presentation materials on the ASX Market Announcements Platform prior to making the presentation.
<b>Principle 6</b>	<b>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.	Y	The Company has a Shareholder Communication Policy, which is included in the Corporate Governance Statement on the Company's website. The Company's website provides a platform to disclose official ASX releases of material information and periodic reports, press releases, notices and presentations as well as a mechanism for shareholders to contact the Company via email.

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6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Y	See 6.1 above
6.3	A listed entity should disclose how it facilitates and encourages participation at its meetings of security holders.	Y	The Company has a Shareholder Communication Policy, which is included in the Corporate Governance Statement on the Company's website. The Policy specifically encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategy and goals and outlines the various ways in which the Company communicates with shareholders.
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.	Y	The Company has decided that all substantive resolutions at a meeting of shareholders will be decided by a poll rather than by a show of hands.
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.	Y	Shareholders can register with the Company's share registry to receive email notifications when the Company releases its annual report and Notice of Meetings. Further, the Company provides information through its website enabling security holders to email the Company and be notified when the Company makes an announcement to the ASX. The share registry also provides the ability to email the share registry and to receive documents by email from the share registry.
<b>Principle 7</b>	<b>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 independent directors; and	N	

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	<p>(b) (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>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>	Y	<p>The Company has established a combined Risk and Compliance Committee which is comprised of the full Board. The Board has also adopted a Risk Management Policy. The committee is made up of three executive directors and one independent director. Sourcing alternative directors to strictly comply with this Principle is considered expensive with costs outweighing potential benefits.</p> <p>The Risk Management Policy is included in the Corporate Governance Statement on the Company's website.</p> <p>The qualifications, experience and attendance of the members of the Audit and Risk Committee are disclosed in the Company's Directors' Report (contained in the 2022 Annual Report).</p>
7.2	<p>The board or a 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>	Y	<p>The Board determines the Company's 'risk profile' and is responsible for overseeing and approving risk management strategy and policies, internal compliance and non-financial internal control.</p> <p>The Board has reviewed the Company's risk profile during the 2022 financial year, and updated its risk assessment as required. Additionally, this issue is regularly reviewed at Board meetings.</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 evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>N</p> <p>Y</p>	<p>The Company does not have an internal audit function.</p> <p>Under the Company's Risk Management Policy, the responsibility for undertaking and assessing risk management and internal control effectiveness is assumed by the Audit and Risk Committee.</p>

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7.4	A listed entity should disclose whether it has any material exposure to environmental and social risks and, if it does, how it manages or intends to manage those risks.	Y	The Company, as a predominantly exploration company rather than an economic producer, has no material exposure to economic, environmental or social sustainability risks.
			The Company's operations are subject to various environmental regulations under both Commonwealth and State legislation in Australia. The Board assumes responsibility for ensuring compliance with these regulations, and are not aware of any breaches of the legislation during the 2022 financial year which are material in nature.
<b>Principle 8</b>	<b>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>N</p> <p>N</p> <p>Y</p> <p>Y</p> <p>Y</p>	<p>The Company has established a Remuneration Committee which comprises the full Board. The committee is made up of three executive directors and one independent director. Sourcing alternative directors to strictly comply with this Principle is considered expensive with costs outweighing potential benefits. The Remuneration Committee Charter is which is included in the Corporate Governance Statement on the Company's website. The qualifications, experience and attendance of the members of the Remuneration Committee are disclosed in the Company's Directors' Report (contained in the 2022 Annual Report).</p>

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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.	Y	Details of the Company's policies and practices regarding the remuneration of Directors and other senior management is set out in the Remuneration Report as disclosed in the Company's Directors' Report (contained in the 2022 Annual Report).
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.	Y	(a) The Company's Securities Trading Policy specifically prevents employees engaging in margin lending or otherwise leveraging securities without the fully informed consent of the board. b) The Securities Trading Policy is included in the Corporate Governance section on the Company's website.