

REY RESOURCES LIMITED
Corporate Governance Statement
27 September 2023

Rey Resources Limited's Board of Directors is responsible for establishing the corporate governance framework of the Company and its related bodies corporate. In establishing this framework, the Board has considered and reports against the Corporate Governance Principles and Recommendations (4th Edition) as published by the ASX Corporate Governance Council in February 2019 ("**ASX Corporate Governance Principles**").

This Corporate Governance Statement has been approved by the Rey Board and summarises the corporate governance practices and procedures that were in place throughout the financial year commencing 1 July 2022 and to the date of this statement. In addition to the information contained in this statement, the Company's website at www.reyresources.com contains additional details of its corporate governance practices and procedures.

The ASX Listing Rules require listed companies to include in their Annual Report or website a statement disclosing the extent to which they have complied with the ASX Corporate Governance Principles in the reporting period. The recommendations are not prescriptive and if a company considers that a recommendation is inappropriate having regard to its particular circumstances, the company has the flexibility not to adopt it. Where Rey considered it was not appropriate to presently comply with a particular recommendation, the reasons are set out in the relevant section of this Corporate Governance Statement.

With the exception of the departures detailed in this Corporate Governance Statement, the corporate governance practices of the Company during the reporting period were compliant with the ASX Corporate Governance Principles.

The table below provides a summary of the Company's compliance with each of the eight ASX Corporate Governance Principles:

	Recommendation	Comply Yes/No/Partly
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.	Yes Yes
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 Yes
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment	Yes
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.	Yes
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 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 workforce (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 and published under that Act.	Yes Yes No Not applicable Yes Not applicable
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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Yes Not undertaken
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and	Yes

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	(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.	Not undertaken
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 that committee; and (4) 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, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	Not applicable Yes
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.	No
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 but the board is of the opinion 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.	Yes Yes Yes
2.4	A majority of the board of a listed entity should be independent directors.	No
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.	No
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.	No
3.1	A listed entity should articulate and disclose its values.	Yes
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 Yes
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 Yes
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.	No Not applicable
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 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 No Yes Yes Yes Yes Not applicable
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	Yes

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	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.	
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
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
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes
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
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes
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
6.5	A listed entity should give security holders the option to receive communications from, and send communication to, the entity and its security registry electronically.	Yes
7.1	The board of a listed entity should: <ul style="list-style-type: none"> (a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (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 processes it employs for overseeing the entity's risk management framework. 	<p>Yes No</p> <p>Yes Yes Yes Yes</p> <p>Not applicable</p>
7.2	The board or a committee of the board should: <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 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. 	<p>No</p> <p>No</p>
7.3	A listed entity should disclose: <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 evaluation and continually improving the effectiveness of its governance, risk management and internal control processes. 	<p>Not applicable</p> <p>Yes</p>
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risk and, if it does, how it manages or intends to manage those risks.	Yes
8.1	The Board of a listed entity should: <ul style="list-style-type: none"> (a) have a remuneration committee which: <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: <ul style="list-style-type: none"> (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. 	<p>No</p> <p>Yes</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.	Yes
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 Yes

Board Responsibilities

The Company has established the functions that are reserved to the Board. The Board acts on behalf of the shareholders and is therefore accountable to the shareholders. It also has other obligations of a regulatory or ethical nature. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to appropriately manage those risks.

The Board's role is to govern the consolidated entity. Without limiting the generality of that stated role, the key matters reserved specifically for the Board include:

Strategy

- Providing input to, and approval of the Company's strategic direction and plans as developed by management.
- Directing, monitoring and assessing the Company's performance against strategic and business plans.
- Approving and monitoring capital management, funding, major capital expenditure and project development activities as well as acquisitions and divestments.

Risk Management

- Reviewing and monitoring the principal risks of the Company's business as advised by Management.
- Reviewing and ratifying the Company's systems of internal compliance and control, risk management of material business risks and legal compliance, to determine the integrity and effectiveness of those systems.
- Monitoring the operational and financial position and performance of the Company
- Monitoring occupational health, safety, environmental and community performance and compliance and ensuring commitment of appropriate resources.

External Reporting

- Ensuring that financial results are appropriately and accurately reported on a timely basis in accordance with all legal and regulatory requirements.
- Monitoring and reviewing the reporting controls and mechanisms which are in place to ensure that adequate, accurate and timely information is being provided by the Company to its shareholders, the ASX and other stakeholders.

Management

- Appointment and removal of the Managing Director and determining his or her terms and conditions (including remuneration).
- Ratifying the appointment and removal of senior executive positions and determining whether the terms and conditions (including remuneration) are appropriate. (Holders of senior executive positions are those executives who report directly to the Managing Director).
- Monitoring and reviewing Managing Director and senior executive succession planning.
- Delegating authority to the Managing Director and approving authority limits for senior executives.

Performance Review

- Approving criteria for assessing performance of the Managing Director and senior executives.
- Monitoring and evaluating the performance of the Managing Director and senior executives in achieving the strategies and budgets approved by the Board. When assessing and evaluating the performance of the Managing Director and senior executives the Board may seek advice from the Remuneration and Nomination Committee.
- Undertaking an annual Board performance evaluation.

Corporate governance

- Encouraging ethical behaviour and compliance with the Company's own governing policies and procedures.
- Evaluating the Company's compliance with corporate governance standards.

Board Committees

- Establishing, as it deems appropriate, Committees to assist in discharging its responsibilities.
- Adopting Charters setting out the membership, responsibilities and reporting obligations of each Board Committee.

For a complete list of the functions reserved to the Board and a copy of the Board Charter, please refer to the Corporate Charters section of the Company's website at www.reyresources.com.

While the Board retains full responsibility for guiding and monitoring the consolidated entity, in discharging its stewardship it may make use of sub-committees. Specialist committees are able to focus on a particular responsibility and provide informed feedback to the Board.

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To achieve this objective, the Board has established the following committees:

- Audit and Risk Management Committee

Refer to the Audit and Risk Committee Charter which is available on the Corporate Charters section of the Company's website at www.reyresources.com for further detail on the roles and responsibilities of the Audit and Risk Committee.

Due to the size of the Board and the stage of the Company's operations, the Board has opted not to establish a Remuneration or Nomination Committee. The nomination and remuneration responsibilities are discharged by the full Board, in accordance with a Remuneration and Nomination Committee Charter which is available on the Corporate Charters section of the Company's website at www.reyresources.com.

Responsibilities of Senior Executives

The responsibility for the day to day operation and administration of the consolidated entity, in accordance with the direction of the Board, is delegated by the Board to the Managing Director and the executive team. The Board ensures that this team is appropriately qualified and experienced to carry out their responsibilities and has in place procedures to assess the performance of the Managing Director and the executive team. In delegating this power, the Board must also be satisfied that the Managing Director and senior executives will exercise their powers reliably and competently, and in accordance with the requirements of the Board.

The matters and functions delegated by the Board to the Managing Director and other senior executives include:

- Developing business plans, budgets and strategies for the Board's consideration and, to the extent approved by the Board, implementing these plans, budgets and strategies.
- Ensuring appropriate funding arrangements are in place for Company activities.
- Operating the Company's businesses and operations within the parameters set by the Board from time to time and keeping the Board informed of all material developments relating to the businesses and operations.
- Where proposed transactions, commitment or arrangements exceed the parameters set by the Board, referring the matter to the Board for its consideration and approval.
- Identifying and managing operational and other risks and, where those risks could have a material impact on the Company's businesses and operations, formulating strategies for managing these risks for consideration by the Board.
- Managing the Company's current financial and other reporting mechanisms to ensure that these mechanisms are functioning effectively to capture all relevant material information on a timely basis.
- Implementing the Company's internal controls; establishing procedures for monitoring these controls; and ensuring that these controls and procedures are appropriate and effective.
- Taking all reasonable steps to ensure that the Board is provided with accurate and sufficient information regarding the Company's operations on a timely basis and, in particular, that the Board is made aware of all relevant matters relating to the Company's performance (including future performance), financial condition, operating results and prospects and potential material risks so that the Board is in an appropriate position to fulfil its corporate governance responsibilities; and
- Implementing all policies, procedures and codes approved by the Board.

For a complete list of the functions delegated to the Managing Director and the executive team, please refer to the Board Charter which is available on the Corporate Charters section of the Company's website at www.reyresources.com.

Performance evaluation of Board and Senior Executives

The Board has adopted a policy for evaluating the performance of the Board, including its committees and Directors and Managing Director, a copy of which is available on its website. Given the Company's current size and stage of operations, the Board did not conduct a formal evaluation of the Board, individual Directors or Senior Executives in the reporting period. However, informal evaluation of the Board, individual Directors and Senior Executives took place in the reporting period and was carried out on a continual basis by the Chairman.

Structure of the Board and Skills Matrix

To ensure the Board is well equipped to discharge its responsibilities it has established guidelines for the nomination, selection, induction and ongoing professional development of Directors. These guidelines include a requirement to undertake appropriate background checks prior to the appointment of a person as a director, including but not limited to undertaking police and solvency checks. The Company also provides relevant information to shareholders for their consideration about the attributes of candidate together with whether the Board supports the appointment or re-election of a director.

The Board does not have a formal induction or professional development policy but implements appropriate measures on an ad hoc basis to enable new Directors to build their knowledge and make an effective contribution in a timely manner, and the provision of appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as Directors effectively.

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The Directors in office and the term of their appointment at the date of this Corporate Governance Statement are:

Name	Position	Date of Appointment
M Yang	Chairman, Non-executive Director	13 September 2012
G Baker	Non-executive Director	13 September 2012
W Jin	Non-executive Director, Managing Director	2 December 2013, 1 July 2016
Y Zhao	Executive Director	29 November 2022
Q Fu	Non-executive Director	15 May 2023

The terms of the appointment of a director are agreed upon and set out in writing at the time of appointment. The skills, experience and expertise relevant to the position of Director held by each Director are included in the 'Information on Directors and Officers' section of the Directors' Report.

The composition of the Board is reviewed regularly by the Board to ensure that the Directors between them bring the range of skills, knowledge and experience necessary to direct the Company's operations. The Board has not developed a formal skills matrix however the Chairman reviews the collective skill set of the Board on a continual basis to ensure representation of skills considered suitable for the Board of the Company at its current stage and into the future, taking into account its current strategy, operations and expectations for changes in the nature and scope of its activities. Currently, the Board collectively holds across its membership experience in the resources industries, business, legal, finance and executive management.

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. All Directors have unfettered access to the Company Secretary. In addition, Directors are entitled, in furtherance of their duties, to seek independent professional advice at the Company's expense.

Independence

Recommendation 2.4 requires a majority of the Board to be independent Directors. The ASX guidance on factors relevant to an assessment of independence includes interests, positions, associations or relationships which might interfere with, or reasonably be seen to interfere with, a director's capacity to bring independent judgement to bear on issues before the Board and to act in the best interests of the entity and its security holders generally. In accordance with this guidance, all the Directors of the Company are not considered to be independent.

The Chairman Ms Min Yang and Non-executive Director Mr Geoff Baker are not considered to be independent as they are also directors of ASF Group Limited, which is a substantial shareholder of the Company. Mr Wei Jin and Mr Yan Zhao are not considered independent due to their executive roles in the Company and Mr Stanley Fu was working for the Company as Operation Manager until July 2022 and is currently providing consulting service to the Company. Notwithstanding that all the Directors are not considered independent, the Board believes the Board can and does make decisions in the best interests of the Company and its security holders.

The Company recognises Recommendation 2.5 which recommends that the Chairman of the Company be independent. As noted above, the Chairman, Ms Min Yang is a director of a substantial shareholder of Rey and, as a result, is not considered independent. However, Ms Yang has been appointed to this position as she has considerable experience as a public company Chairman and is a well-qualified person for this position. The Board believes that Ms Yang is able to and does bring impartial judgment to all relevant issues falling within the scope of the role of Chairman.

Remuneration and Nomination Committee

The Board has adopted a Nomination and Remuneration Committee Charter. As noted above, during the financial year, the full Board undertook the responsibilities for determining and reviewing compensation arrangements for the Directors and senior executives and ensuring that the Board continues to operate within the established guidelines, including when necessary, selecting candidates for the position of Director. For further details regarding the procedure for the nomination, selection and appointment of new Directors and re-election of incumbents, as well as a copy of the Remuneration and Nomination Committee Charter, please refer to the Corporate Charters section of the Rey website at www.reyresources.com.

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For further details on the remuneration policy of the Company, including a description of the structure of Non-executive Directors' remuneration and Executive Directors' and senior executives' remuneration, please refer to the Remuneration Report as set out in the Company's Annual Report.

The Company has established an Executive Incentive Rights Performance Plan pursuant to which the Company may offer long term equity incentives rights to executive Directors and employees. The rights are usually issued for nil consideration and convert to shares in accordance with performance guidelines established by the Directors of the Company. The rights cannot be transferred without the approval of the Company's Board and are not quoted on the ASX. As a result, option holders may not enter into any transaction designed to remove the "at risk" aspect of an option before it is exercised.

The Company acknowledges that the guidelines to ASX Principle 8.2 recommend that Non-executive Directors do not receive equity based remuneration with performance hurdles attached. However, in the Company's current circumstances, the Directors consider equity to be a cost effective and efficient means for the Company to provide a reward and incentive, as opposed to alternative forms of incentive, such as the payment of additional cash consideration that would be necessary for someone with the experience of the Directors, and may from time to time resolve to issue equity based remuneration to Non-executive Directors, including with performance hurdles, subject to regulatory and shareholder approval.

There is no scheme to provide retirement benefits (other than superannuation) for Non-executive Directors.

Audit and Risk Management Committee

The Board has established an Audit and Risk Management Committee which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes such as the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information, as well as non-financial considerations including the benchmarking of operational key performance indicators. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the consolidated entity to the Audit and Risk Management Committee. The Audit and Risk Management Committee provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports. The Committee is also responsible for the nomination of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory audit and half year audit review.

For further details regarding the procedures for selection, appointment and rotation of external audit partners, as well as a copy of the Audit and Risk Management Committee's charter, please refer to the Corporate Charters section of the Company's website at www.reyresources.com.

The members of the Audit and Risk Management Committee during the year were Mr Dachun Zhang (Chair), Ms Min Yang, Mr Geoff Baker and Mr Wei Jin. Upon resignation of Mr Dachun Zhang as Director on 29 November 2022, Mr Geoff Baker was elected Chairman of the Committee. Notwithstanding that the members of the Committee are not considered independent, the Board believes the Committee as constituted can and does make decisions in the best interests of the Company and its security holders.

For details of membership and attendance at meetings of the Audit and Risk Management Committee, refer to the 'Directors' Attendance at Meeting' section of the Company's Annual Report.

Communication with Shareholders

Pursuant to Principle 6, the Board aims to ensure that the shareholders are provided with full and timely information about the Company's activities. To promote effective communication with shareholders, the Company has designed a Shareholder Communication policy. Information is communicated to the shareholders through:

- the Annual Report which is made available to all shareholders;
- announcements made through the ASX companies announcements platform;
- the Company's website (<http://www.reyresources.com>) which has a dedicated Investor Centre section for the purpose of publishing all important Company information and relevant announcements made to the market; and
- the annual general meeting and any other meetings called to obtain approval for Board action as appropriate.

In addition, shareholders are encouraged to make their views known or to seek clarification on information available in the public arena by contacting the Company (including the Company's share registry, which facilitates electronic correspondence) or attending the annual general meeting. The external auditors also attend, and are available to answer queries on the preparation and content of the independent Audit Report, the accounting policies adopted by the Company in relation to the preparation of accounts and the independence of the Auditor in relation to the conduct of the audit at the Company's annual general meetings. To enshrine the principle of

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“one security one vote”, the Company has since the 2020 annual general meeting put all resolutions to vote by poll instead of show of hands.

Shareholders are encouraged to receive correspondence from the Company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders. Shareholders not already receiving information electronically can elect to do so through the share registry, Boardroom Pty Limited at www.boardroomlimited.com.au.

For further information regarding the Company’s Shareholder Communication Policy please refer to the Corporate Policies section of the Company’s website at www.reyresources.com.

Diversity Policy

Rey is committed to promoting equality and diversity in the workplace and aims to be an organisation where diversity is valued, respected and celebrated. All decisions relating to employees will be based strictly on merit, without regard to gender, ethnicity, age, relationship status or any other irrelevant factor not applicable to the position.

Pursuant to Recommendation 1.5, the Company has established a Diversity Policy which is available on the Corporate Policies section of the Company’s website at www.reyresources.com. However due to the small size of the organisation and its current stage of operations, the introduction of specific measurable objectives at this stage has not been implemented.

Whilst the Board of the Company strongly endorses the concept of gender diversity, until the Company’s human resource base has grown to a point where fully implementing specific measurable objectives will become more meaningful, the Company will, in accordance with its Diversity Policy, continue to recruit the best person for each role, regardless of gender, ethnicity, age, relationship status or any other irrelevant factor not applicable to the position. However the Board is pleased to report that it has one female Director, Ms Min Yang.

The table below shows the proportion of women in the whole organisation, women in senior executive positions and women on the Board:

Board: 20%

Senior Executive: 0%

Employees: 0%

The Company defines “senior executive” as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year. Of the five directors, one is female and is also the Non-executive Chairman. Other than the Executive Directors, the Group has no employees as at the date of this Statement. Operation of the Group is managed by the Managing Director, Mr Wei Jin, as well as the Board as a whole.

Share Trading

The Constitution of the Company permits Directors and officers to acquire shares in the Company.

In accordance with the provisions of the Corporations Act and the listing Rules of the ASX, Directors must advise the Company and the ASX of any transactions they conduct in securities of the Company.

The Company has established a Securities Trading Policy concerning trading in the Company’s securities by Directors and employees. This policy provides a brief summary of the law on insider trading and other relevant laws, sets out the restrictions on dealing in securities by people who work for or who are associated with Rey Resources, and is intended to assist in maintaining market confidence in the integrity of dealings in the Company’s securities.

The policy stipulates that the only appropriate time for a Director or employee to deal in the Company’s securities is when he or she is not in possession of ‘price sensitive information’ that is not generally available to the share market. A Director wishing to deal in the Company’s securities may only do so after first having received approval from the Chairman. All staff wishing to deal must obtain approval from the Managing Director. Confirmation of any dealing must also be given by the Director or employee to the Company Secretary within two business days after the dealing.

Trading in the Company’s securities is also subject to specified blackout periods, which are set out in the Company’s Securities Trading Policy or as otherwise determined by the Board from time to time.

The Company prohibits directors and employees from entering into transactions in associated products which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes.

A copy of the Company’s Securities Trading Policy is available in the Corporate Policies section of Rey Resources’ website.

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Integrity of Financial Reporting and Risk Management Policies

The Board has primary responsibility to ensure that the Company presents and publishes accounts which present a true and fair view of its results and financial position and that the accounting methods adopted are appropriate to the Company and consistently applied in accordance with relevant accounting standards and the applicable laws.

Under section 295A of the *Corporations Act*, the Managing Director and the person who performs the Chief Financial Officer function are each required to provide a written statement to the Board that the Company's annual financial report presents a true and fair view, in all material respects, of the Company's financial condition and operational results and that it is in accordance with the relevant accounting standards. Recommendation 4.2 extends this requirement such that it applies to financial statements for any financial period and that the Managing Director and the person who performs the Chief Financial Officer function must also confirm that this statement is founded on a sound system of risk management and internal compliance which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control system is operating effectively in all material respects. The Board confirms that it has received written statements to this effect from the Managing Director and the Chief Financial Officer for the quarterly, half yearly and annual financial reports.

Due to the size of the Company and its current level of activity and operations, the Company does not have a formal internal audit function. Periodically, internal reviews of the Company's financial systems, documents and processes are undertaken and any recommendation for improvement actioned by management, and where material, reported to the Board.

The Company is committed to the management of risks throughout its operations to protect all of its stakeholders. Risk management is carried out through the Audit and Risk Management Committee and the processes and procedures mentioned above.

The Board has delegated to the Audit and Risk Management Committee the primary responsibility for ensuring that risks are identified and monitored. The Audit and Risk Management Committee has in turn required management to design and implement a risk management and control system to manage the Company's material business risks. The Company's Risk Oversight Policy deals with the management and oversight of material business risks and provides the guiding principle for management in the identification of risks across the organisation as a whole, and within individual business units. The Audit and Risk Management Committee is required to review the risk management framework at least annually. Given the current size and stage of operations, the Company did not conduct a review of the risk management framework in this financial year.

The Risk Oversight Policy provides a framework for systematically understanding and identifying the types of material business risks that may threaten the Group as a whole or specific business activities within the Company and includes risk mitigation strategies.

The Board has formed the view that the Company does not currently have any material exposure to environmental or social risk. Notwithstanding, as part of its risk management and control system, management monitors all categories of risk identified and implements mitigation strategies where appropriate.

For a summary of the Company's Risk Oversight Policy, please refer to the Corporate Policies section of the Company's website at www.reyresources.com.

Act Lawfully, Ethically and Responsibly

The Group's values include the requirement that the business be conducted ethically, with integrity and professionalism to achieve the highest standards of behaviour.

The Group recognises the need for directors and employees to observe the highest standards of behaviour and business ethics. All directors and employees are required to act in accordance with the law and with the highest standard of propriety.

The Company has established a Code of Conduct and Whistleblower Policy which are available in the Corporate Policies section of the Company's website at www.reyresources.com. Any material breach of the Code of Conduct or incident of Whistleblower Policy is to be reported to the Board via the Company Secretary and the Chairman.

Due to the size of the organisation and its current stage of operations, the Company does not have a formal anti-bribery and corruption policy. However, directors and employees are required to act honestly, in good faith and for the good of the Company at all times in accordance with the Code of Conduct.

REY RESOURCES LIMITED
Corporate Governance Statement
27 September 2023

Continuous Disclosure

The Company has established procedures designed to ensure compliance with the ASX Listing Rules so that Company announcements are made in a timely manner, are factual, do not omit material information and are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions. Established policies also ensure accountability at a senior management level for ASX compliance.

Any announcement, periodic corporate reports, whether or not they are audited or reviewed by an external auditor, are to be reviewed by the senior management and authorised by the Board before releasing to the market.

Copies of all material market announcements are circulated to the Board after they have been released to the market and, if applicable, copy of any Chairman's Address at the Company's general meetings and investor or analyst presentations will be submitted to the ASX Market Announcements Platform prior to the time they are made.

The Company has a Continuous Disclosure Policy, which can be found in the Corporate Policies section of the Company's website at www.reyresources.com.