



ABN 33 617 821 771

ACCELERATE RESOURCES LIMITED

CORPORATE GOVERNANCE STATEMENT

Accelerate Resources Limited (“the Company”) and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders. The Company has adopted systems of control and accountability as the basis for the administration of corporate governance.

The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company’s needs. The Corporate Governance Statement has been structured with reference to the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations 4th edition to the extent that they are applicable to the Company.

Information about the Company’s corporate governance practices are set out below. This statement was approved by the Board on 13/10/2023

This release was authorised by the Board of Accelerate Resources Limited.

THE BOARD OF DIRECTORS

The Board is ultimately accountable for the performance of the company and provides leadership and sets the strategic objectives of the Company. It appoints all senior executives and assesses their performance on at least an annual basis. It is responsible for overseeing all corporate reporting systems, remuneration frameworks, governance issues, and stakeholder communications. Decisions reserved for the Board relate to those that have a fundamental impact on the company, such as material acquisitions and takeovers, dividends and buybacks, material profits upgrades and downgrades, and significant closures.

Management is responsible for implementing Board strategy, day-to-day operational aspects, and ensuring that all risks and performance issues are brought to the Boards attention. They must operate within the risk and authorisation parameters set by the Board.

The Company’s Constitution provides that the number of Directors shall not be less than three. There is no requirement for any shareholding qualification. However, to align Directors’ interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the Company’s employee securities incentive plan.

If the Company’s activities increase in size, nature and scope, the size of the Board will be reviewed periodically and the optimum number of Directors required to adequately supervise the Company’s activities will be determined within the limitations imposed by the Constitution and as circumstances demand.

Mr Richard Hill is Chair of the Board and is considered to be an independent director of the Company.

The Board reviews its performance annually, as well as the performance of individual Committees, individual directors (including the performance of the Chairman as Chairman of the Board) and senior executives. The criteria for determining the identification and application of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the Company’s scope of activities, intellectual ability to contribute to Board duties and physical ability to undertake Board duties and responsibilities.

THE BOARD OF DIRECTORS (CONTINUED)

The use of an external facilitator may be utilised periodically to assist in the review process. The annual performance review of the Board including senior executive are currently ongoing. The process currently in progress includes collective Board discussions and individual interviews conducted by the Chairman and review of the Chairman's role by the rest of the Board.

Directors are initially appointed by the full Board, subject to election by shareholders at the next Annual General Meeting. Under the Company's Constitution the tenure of a Director (other than Managing Director, and only one Managing Director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the Corporations Act, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a Director. A Managing Director may be appointed for the year and on any terms the Directors think fit and, subject to the terms of any agreement entered into, the appointment may be revoked on notice.

All directors, both executive and non-executive, receive written notifications of their appointment and/or executive service agreement and a new director induction pack which details the terms and conditions of their appointment, remuneration (including superannuation contributions), continuous disclosure requirements (including interests in the company), ongoing confidentiality obligations, Company policies on professional development opportunities and when to seek independent professional advice, and the Company's indemnity and insurance measures.

The Company maintains a Securities Trading Policy which outlines, among other things, when Directors, senior management and other employees of the Company may deal in the Company's securities. This policy also prohibits key management personnel from entering into certain hedging arrangements of the nature referred to in Recommendation 8.3. For further details, refer to the Securities Trading Policy, which is available on the Company Website.

The Company has also adopted an Employee Securities Incentive Plan. For further details, refer to the Company Website or the Company's ASX platform.

COMMITTEES OF THE BOARD

Having regard to the size of the Company and the nature of its activities, a separate Audit Committee and Remuneration and Nomination Committee have not been established. Rather the full Board has the responsibility for and performs the function of these committees. Both committees function under a specific charter which details their respective roles, duties and membership requirements.

During the 2023 Financial Year, the Board carried out the functions of the various committees during regular Board meetings. The Board meets on a regular basis and discusses matters normally captured under the terms of reference of the various committees including controls and general and specific financial matters, recognition and management of risks that may impact the Company, its security holders and other stakeholders such as employees, suppliers, creditors and the broader community in which the Company operates.

The Company's Board is responsible for developing policies and procedures for the appointment of Directors and identifying new Director candidates, having regard to their skill, diversity and experience that would complement the experience of the other Board members.

Any appointment made by the Board (other than the MD) will be subject to approval by shareholders.

The appointment and removal of the Company's external auditor is subject to approval of the Board and the security holders, and the Company's current external auditors rotate the relevant audit engagement partner every five (5) years.

At commencement of the Non-Executive Director selection process, the Company undertakes appropriate checks on potential candidates to consider their suitability.

Prior to appointment, candidates are required to provide the Chairman with details of other commitments (including an indication of time involved), and to acknowledge that they will have adequate time to fulfil his or her responsibilities as a Non-Executive Director. Directors available for election or re-election at a general meeting will be reviewed by the Board.

COMMITTEES OF THE BOARD (CONTINUED)

The Board will provide shareholders with all material information in the possession of the Company in the Notice of Meeting that would be relevant for shareholders to make a decision on whether or not to elect or re-elect a Director, such as whether the Director will qualify as an independent Non-Executive Director and the Director's qualifications and experience.

The role of the Board, acting as the Remuneration and Nomination Committee also includes periodically evaluating the performance of its senior executives, and the Company will disclose in each reporting period whether a performance evaluation was undertaken in accordance with that process.

The Board may obtain independent advice on the appropriateness of remuneration packages.

The role of the Board, functioning as the Audit Committee, is to:

- Monitor the integrity of the financial statements of the Company, reviewing significant financial reporting judgements;
- Review the Company's internal financial control systems and, unless expressly addressed by a separate risk committee or by the Board itself, risk management systems;
- Monitor and review the external audit function including matters concerning appointment and remuneration, independence and non-audit services; and
- Perform such other functions as assigned by law, the Company's constitution, or the Board.

For further information regarding the Remuneration Policy, refer to the Company's Annual Report for the year ended 30 June 2023.

For further information regarding the Audit, Nomination and Remuneration Committee Charters visit the website www.ax8.com.au.

The Company does not have an internal audit function, however the Board has established a framework for the management of the Group including a system of internal controls, a business risk management process and the establishment of appropriate ethical standards. The board encourages the external auditor to attend the Annual General Meeting to address any shareholder questions that may arise.

Where a periodic report does not require an audit or review by an external auditor, the report is prepared by the finance department and then reviewed by the Managing Director. Once the Managing Director has reviewed and is happy with the report content, it is circulated to the full board for comment and approval prior to lodging with the ASX.

SKILLS MATRIX

The Board has undertaken an assessment of its mix of skills using a skills matrix to assess strengths and identify weaknesses. As summary of the current blend of skills is set out below:

Expertise	Industry	Qualifications
Mineral resources	Mineral resources	Business and accounting
Capital markets	Capital markets	Engineering
Renewable energy	Renewable energy	Operations management
Energy – other	Energy – other	
Materials	Materials	
Infrastructure	Infrastructure	
Industrial products	Industrial products	

INDEPENDENCE

Given the Company's present size and scope, it is currently not Company policy to have a majority of independent Directors. Directors have been selected to bring specific skills and industry experience to the Company. The Board is considered to have a good range of relevant industry experience, financial and other skills and expertise to meet its objectives. Currently two board members are independent Directors and two Directors are deemed not to be independent due to executive employments.

INDEPENDENCE (CONTINUED)

Independent Directors

Grant Mooney – Non-Executive Director

Richard Hill – Non-Executive Chairman

Non-Independent Directors

Yaxi Zhan – Managing Director

Stephen Bodon – Executive Director (Technical)

When determining the independent status of each Director the board has considered whether the Director:

- Is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company.
- Is employed, or has previously been employed in an executive capacity by the Company, and there has not been a period of at least three years between ceasing such an employment and serving on the board.
- Has within the last three years been a principal of a material professional adviser or a material consultant to the Company, or an employee materially associated with the services provided.
- Is a material supplier or customer of the Company, or an officer of or otherwise associated directly or indirectly with a material supplier or customer.
- Has a material contractual relationship with the Company other than as a Director.

Mr Mooney is a non-executive director of ASX-listed entity Gibb River Diamonds Ltd (previously POZ Minerals Ltd), who was a substantial shareholder of the Company. Mr Hill was a substantial shareholder of the Company. The Board has assessed the interests and relationships and determined that it does not interfere, and might not reasonably be seen to interfere, with the Directors' capacities to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

APPOINTMENTS TO OTHER BOARDS

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

INDEPENDENT PROFESSIONAL ADVICE

The Board has determined that individual Directors have the right in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to Directors' rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

GENDER DIVERSITY

The Company has not adopted an express policy specifically addressing the achievement of gender diversity. Due to the current limited size of the Board, the Board does not consider it necessary to have an express gender diversity policy, but will consider adopting an express policy in the future. The Company has not set any objectives for achieving gender diversity. Should an express gender diversity policy be considered appropriate for the Company in the future due to increases in size of the organisation, the policy will specifically deal with the objectives for achieving diversity.

The Company's corporate code of conduct provides a framework for undertaking ethical conduct in employment. Under the corporate code of conduct, the Company will not tolerate any form of discrimination or harassment in the workplace. The Group currently has one female board member who is also a senior executive (Ms Yaxi Zhan).

CONTINUOUS REVIEW OF CORPORATE GOVERNANCE

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as Directors of the Company. Such information must be sufficient to enable the Directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The Directors recognise that as a business that there are inherent risks and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for Company directors, executives and employees that promote the highest standards of ethics and integrity in carrying out their duties to the Company.

The Company's values are disclosed in the Code of Conduct policy. The Code of Conduct can be found on the Company's website at www.ax8.com.au.

WHISTLEBLOWER POLICY

The Company has adopted a Whistleblower Policy which aims to encourage reporting of violations (or suspected violations) of the Company's Code of Conduct, or material legal or regulatory obligations, and to provide effective protection from victimisation and retaliation or dismissal to those reporting by implementing systems for confidentiality, anonymity and report handling.

Everyone working for the Company receives training on the Whistleblower Policy and are expected to understand and comply with it. Complaints made under the Whistleblower Policy which are regarded as serious and warrant investigation by the Responsible Officer are investigated as set out in the Policy. The Board is informed of material breaches or incidents reported under the Whistleblower Policy and the Board periodically reviews and makes changes to the Policy.

ANTI-BRIBERY & ANTI-CORRUPTION POLICY

The Company has an Anti-Bribery & Anti-Corruption Policy that applies to its employees, Directors, contractors, consultants, third parties and other persons associated with the Company's business operations.

All Company policies are aimed at conducting business that is fair, honest, transparent, performed with integrity and in compliance with the law in all jurisdictions in which it operates. Acknowledging the potential for reputational damage if the Company is, or is alleged to be, involved in bribery or corruption, the Policy addresses:

- what may be deemed as forms of bribery and corruption;
- encourages a robust culture of integrity, transparency and compliance, which is critical to long term success and value preservation in the business;
- aims to safeguard and make transparent relationships with external parties in the context of receiving and giving hospitality, gifts and other financial benefits for legitimate purposes consistent with normal business practice; and
- prohibits bribes and improper payments, and places appropriate controls on gifts and donations. Employees are trained in the policy and are responsible for reporting actual or suspected breaches of the Policy.

All safeguards in terms of confidentiality, anonymity, ongoing support and protection in that Policy will apply in these circumstances. Any material breaches of the Anti-Bribery & Anti-Corruption Policy are reported to the Board. The Board periodically reviews and makes changes to the Policy

COMPANY SECRETARY

The Company has a Company Secretary that is appointed by the board by resolution. The Company Secretary is accountable directly to the Board, through the Chairman.

The role of the Company Secretary is as follows:

- Advising the Board and Committees on governance matters.
- Monitoring adherence of Board and Committees to policies and procedures.
- Coordinating timely completion and despatch of Board and Committee papers.
- Ensuring business at Board and Committee meeting is accurately captured in the minutes.
- Helping to organise and facilitate induction and professional development of Directors

CONTINUOUS DISCLOSURE

The Company Secretary, working closely with the Chairman, have been delegated responsibility for the continuous disclosure of information to the market, to ensure:

- All investors have equal and timely access to material information concerning the Company, including its financial position, performance, ownership and governance.
- Company announcements are factual and presented in clear and a balanced way, requiring the disclosure of both positive and negative information.
- When analysts are briefed on aspects of the Company's operations, the market is forewarned, and the materials used in such presentations are also released to the ASX and posted on the Company's website.
- Any information that a reasonable person would expect to have a material effect on the price or value of the Company's share price (as per Listing Rule 3.1) is immediately notified to the ASX.

The Company has established a documented procedure to handle continuous disclosure requirements which can be found on the Company's website at www.ax8.com.au.

Any announcement is first prepared by the Executive Directors or appropriate department of the Company and sent to the board and Company Secretary for comment and approval prior to lodging with the ASX.

The Company lodges presentations prior to any meeting with analysts. From time to time the Company will provide a Company Update which is lodged on the ASX platform ahead of the commencement of trading hours where possible.

RISK MANAGEMENT SYSTEMS

The identification and management of risk, including calculated risk-taking activity is viewed by management as an essential component in creating shareholder value. Whilst there is currently no risk committee in accordance with recommendation 7.1 (a) the board as a whole is employed to oversee the Company's risk management framework as explained below.

Management is responsible for developing, maintaining and improving the Company's risk management and internal control system. A register of material business risks had been established, risks had been analysed and evaluated, risk management processes and controls are in place and reporting schedules are being developed. Management provides the board with periodic reports identifying areas of potential risks and the safeguards in place to efficiently manage material business risks. These risk management and internal control systems are in place to protect the financial statements of the entity from potential misstatement, and the Board is responsible for satisfying itself annually, or more frequently as required, that management has developed a sound system of risk management and internal control. A formal register review is currently being performed.

Strategic and operational risks are reviewed at least annually as part of the forecasting and budgeting process. The Company has identified and actively monitors risks inherent in the industry in which the Company operates.

RISK MANAGEMENT SYSTEMS (CONTINUED)

The Board also receives a written assurance from the CEO and CFO (or performers of those functions) that to the best of their knowledge and belief, the declaration provided to the Board in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control, and that the system is operating effectively in relation to financial reporting risks. The Board notes that due to its nature, internal control assurance from the CEO and CFO (or performers of those functions) can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in internal control procedures.

CORPORATE SUSTAINABILITY

The Company is a mineral exploration company and is inherently exposed to the economic, environmental and social sustainability risks that are associated with that industry. The Company has in place procedures for reporting on significant risks (see above) which are continually being developed and updated to help manage these risks. The Board carefully considers its operations and their impact on the environment and local communities and advises that at this point in the Company's life, there are no material risks.

SECURITY HOLDERS

Investors may inspect the Company's governance and Shareholder Communications policies via the website www.ax8.com.au which lay out the options to receive communications from, and send communications to, the entity and its security registry electronically.

The Board of Directors aims to ensure that shareholders are informed of all major developments affecting the Company's state of affairs. The information is communicated to shareholders, and forms part of the Company's two-way investor relations program:

- By ensuring that all shareholders can elect to receive information and communications from the company's share registry either physically or electronically, and can update their preferences through the share registry;
- By the Annual Report being distributed to all shareholders. The Board ensures the Annual Report contains all relevant information about the operations of the company during the financial year, together with details of future developments and other disclosures required under the Corporations Act 2001;
- By publishing its Notice of Meetings and Explanatory Memorandum for each Annual General Meeting or other such meetings as required from time to time;
- By encouraging shareholders to attend and participate in the company's Annual General Meeting;
- By encouraging shareholders to participate in proxy voting should they be unable to attend the company's Annual General Meeting;
- By the Half Year results report distributed to all shareholders; and
- By disclosures forwarded to the ASX under the company's continuous disclosure obligations.

The Company has an email where shareholders can request to receive all information electronically and offers the same service through its share registry.

Decisions on all substantive resolutions at general meetings of the Company will be decided by a poll to ensure the true will of Shareholders is ascertained (rather than by a show of hands, which is inconsistent with the "one security one vote" principle in the ASX Listing Rules).

All information communicated by the company is in accordance with its continuous disclosure requirements under ASX Listing Rule 3.1.

ASX PRINCIPLES OF GOOD CORPORATE GOVERNANCE

The Board has reviewed its current practices in light of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition with a view to making amendments where applicable after considering the Company's size and the resources it has available.

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of any additional formal corporate governance committees will be given further consideration.

The following table sets out the ASX Corporate Governance Guidelines with which the Company does not comply:

Principles and Recommendations	Explanation for Departures
1.5 A listed entity should have a diversity policy and should disclose at the end of each reporting period the measurable objectives for achieving gender diversity and the progress towards achieving those objectives.	<p>The Company recognises the importance of equal employment opportunity. The Company's corporate code of conduct provides a framework for undertaking ethical conduct in employment. Under the corporate code of conduct, the Company will not tolerate any form of discrimination or harassment in the workplace.</p> <p>The Company has not adopted an express policy specifically addressing the achievement of gender diversity. Due to the current limited size of the Board, the Board does not consider it necessary to have an express gender diversity policy, but will consider adopting an express policy in the future. The Company has not set any objectives for achieving gender diversity. Should an express gender diversity policy be considered appropriate for the Company in the future due to increases in size of the organisation, the policy will specifically deal with the objectives for achieving diversity.</p> <p>The Company currently has one female Officers of the Company, being Ms Yaxi Zhan who is a Director of the Company.</p>