

# Corporate Governance Statement for the year ended 31 December 2023



Reward Minerals Ltd (Reward or the Group) has elected to implement the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations 4<sup>th</sup> Edition*. This statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. Unless otherwise stated, all these practices were in place for the full reporting period.

This document is current as at 28 March 2024. The information in this statement should be read in conjunction with the Company's 2023 Annual Report and has been approved by the Board of the Company.

## PRINCIPLE 1 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

**Recommendation 1.1** A listed entity should disclose:

- (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.

**COMPLY: YES**

The Group is directly managed by the Board, through the executive director, contractors are used to perform functions as required.

Directors of the Group are required to act honestly, transparently, diligently, independently, and in the best interests of all shareholders with the objective of increasing shareholder value.

The Group operates in a framework to:

- Enable the Board to provide strategic guidance for the Group and effective oversight of contractors;
- Clarify the respective roles and responsibilities of Board members in order to facilitate Board accountability to the Group and shareholders;
- Ensure a balance of authority so that no single individual has unfettered powers.

**Recommendation 1.2** A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and
- (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

**COMPLY: YES**

The Company undertakes checks on any person who is being considered as a director. These checks may include good fame and character, experience, education and financial history and background.

All material information relevant to a decision on whether or not to elect or re-elect a director will be provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a director will be voted on.

**Recommendation 1.3** A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

**COMPLY: YES**

Each director and senior executive have all been appointed pursuant to letters of engagement setting out the terms of their appointment. Under the Group's Board Policy, when the Board considers the appointment of any new director, the terms of appointment of a director must be recorded in a letter of appointment which takes into consideration the ASX Recommendations. This will form the basis of the written agreement entered into between the Group and a director.

**Recommendation 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.

**COMPLY: YES**

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The Board Policy states that the Company Secretary will be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

**Recommendation 1.5** A listed entity should:

- (a) have and disclose a diversity policy;
- (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; 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 organisation (including how the entity has defined "senior executive" for these purposes); or
    - (b) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

**COMPLY: NO**

The Group values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Diversity is not limited to gender, age, ethnicity and/or cultural backgrounds.

As at December 2023, the proportion of women employed in the Group was:

- All employees – 33%
- In management positions – Nil
- In senior executive positions – Nil
- Board – Nil

## **Explanation for Departure**

The Board considers that the Group is not currently of a size, or its affairs of such complexity, that the formation of a diversity policy is justified at this time.

**Recommendation 1.6** A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) disclose for each reporting period whether a performance evaluation was undertaken in accordance with that process during or in respect of that period.

**COMPLY: NO**

## **Explanation for Departure**

Given the Group's size and nature there is no formal process for evaluating the performance of its Board, its committees and individual directors. Should the size of the Group change, the Board will consider establishing a formal process.

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**Recommendation 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
- (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.

**COMPLY: NO**

## **Explanation for Departure**

Given the Group's size and nature there is no formal process for evaluating the performance of its senior executives. Should the size of the Group change, the Board will consider establishing a formal process. The Board Policy sets out how the Group addresses succession issues.

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## PRINCIPLE 2 STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

**Recommendation 2.1** The board of a listed entity should:

- (a) have a nomination committee which:
  - (i) has at least three members, a majority of whom are independent directors; and
  - (ii) is chaired by an independent director,
 and disclose:
  - (iii) the charter of the committee;
  - (iv) the members of the committee; and
  - (v) 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.

**COMPLY: NO**

There is no nomination committee.

### Explanation for Departure

The full Board considers those matters that would usually be the responsibility of a nomination committee. The composition of the Board does not make the establishment of a separate nomination committee practicable. The Board has adopted a nomination committee charter, which it applies when convening as the nomination committee.

**Recommendation 2.2** A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

**COMPLY: YES**

The Board regularly evaluates the mix of skills, experience and diversity at the Board level. The Board believes that a highly credentialed Board, with a diversity of background, skills and perspectives, will be effective in supporting and enabling delivery of good governance for the Group and value for the Group's shareholders. The mix of skills comprised in the current Board, and that the Board would look to maintain, and to build on, includes the following:

	Directors		
	Colin McCavana	Michael Ruane	Rodney Della Vedova
<b>Qualifications</b>		<b>BSc. PHD</b>	<b>BSc</b>
<b>Skills and Experience</b>			
ASX listed experience	✓	✓	-
Mining and exploration expertise	✓	✓	✓
Metallurgy and metals marketing expertise	-	✓	✓
Experience in dealing with joint ventures and high levels of government and regulators	✓	✓	-
High level of business acumen	✓	✓	✓
Technical expertise (including finance);	✓	✓	✓
Ability to think strategically	✓	✓	✓
Governance experience and expertise	✓	✓	-

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The Board aspires to have a Board comprised of individuals’ diverse experience and expertise and will be mindful of this when making appointments which will also be based on merit. A profile of each director containing their skills, experience and expertise is set out in the Directors’ Report.

**Recommendation 2.3** A listed entity should disclose:

- (a) the names of the directors considered by the Board to be independent directors;
- (b) if a director has an interest, position or relationship that may raise issues about the independence of that director but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and
- (c) the length of service of each director.

**COMPLY: YES**

As at 31 December 2023, the Board comprises of three directors, two of which are independent:

Director	Independent	Not Independent	Length of service
Michael Ruane*		✓	Appointed 2 December 2004
Colin McCavana	✓		Appointed 24 February 2010 and Chairman on 30 November 2010
Rod Della Vedova	✓		Appointed 16 January 2013

\*Michael Ruane is not independent as he is an executive director and has a substantial shareholding in the company.

**Recommendation 2.4** A majority of the board of a listed entity should be independent directors

**COMPLY: YES**

The majority of the Board are independent directors.

**Recommendation 2.5** The Chair of the board of a listed entity should be an independent director, and in particular, should not be the same person as the CEO of the entity.

**COMPLY: YES**

The Chairman of the Board, Mr Colin McCavana, is an independent, non-executive director.

**Recommendation 2.6** A listed entity should have a program for inducting new directors and 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.

**COMPLY: YES**

All new directors are provided with an induction including comprehensive meetings with senior executives and management, and provision of information on the Group including Group and Board policies and other material documents.

All directors are expected to maintain the skills required to effectively discharge their obligations to the Group. Directors are encouraged to undertake continuing professional education and, if this involves industry seminars and approved education courses, where appropriate, this is paid for by the Group. The Company Secretary under the guidance of the full Board oversees the induction program for new directors.

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## PRINCIPLE 3 INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

**Recommendation 3.1** A listed entity should articulate and disclose its values.

**COMPLY: YES**

The Group are committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board, management and employees are dedicated to high ethical standards and recognise and support the Group's commitment to compliance with these standards.

**Recommendation 3.2** A listed entity should:

- (a) have and disclose a code of conduct for its directors, senior executives and employees; and
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.

**COMPLY: YES**

The Group has established a Code of Conduct which outlines the practices required to maintain confidence in the Group's integrity, practices necessary to take into account their legal obligations and the expectations of their stakeholders and responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

A summary of the Group's Code of Conduct is made available on the Group's website.

**Recommendation 3.3:** A listed entity should:

- (a) have and disclose a whistleblower policy; and
- (b) ensure that the board or committee of the board is Informed of any material Incidents reported under that policy.

**COMPLY: YES**

The Group's Whistleblower Policy is disclosed on the Company's website. Any material incidents of the Whistleblower Policy are reported to the Board or a committee of the Board.

**Recommendation 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.

**COMPLY: NO**

The Company has not formulated an antibribery and corruption policy. The Company has formulated internal controls to ensure payments are only made once the controls and authorisation procedures are completed. The Board is informed of any fraudulent/corrupt activities identified by its independent auditors during the course of the half-yearly review and year end audit. Given the nature and extent of its actual and proposed operations, the Company does not think that it is appropriate to develop and articulate an anti-bribery and corruption policy due to its size and stage of development. The Company will review this view periodically in line with its size and stage of development.

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## PRINCIPLE 4 SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

**Recommendation 4.1** The board of a listed entity should:

- (a) have an audit committee which:
  - (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and
  - (2) is chaired by an independent director, who is not the chair of the board,and disclose:
  - (3) the charter of the committee;
  - (4) the relevant qualifications and experience of the members of the committee; and
  - (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings
- (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.

**COMPLY: NO**

### Disclosure

The Group currently does not have an Audit Committee, as matters which would normally be considered by such a committee come under the review of the entire Board.

The Group has in place a structure of review and authorisation designed to ensure the truthful and factual presentation of the Group's financial position. The structure includes:

- the annual Directors Declaration can only be signed, after the receipt by the Board, of a declaration in writing, by the Executive Director/Chief Financial Officer and Company Secretary; and
- a process to ensure the independence and competence of the Group's external auditors.

### Explanation for Departure

The Board believe that the Group is not of a size nor are its financial affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the functions associated with an audit committee.

**Recommendation 4.2** The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

**COMPLY: YES**

The Executive Director who also acts as Chief Financial Officer has provided in writing to the Board that the Group's financial reports present a true and fair view, in all material respects, of the Group's financial condition and operational results and are in accordance with relevant accounting standards.

Declaration in writing by the Executive Director/Chief Financial Officer state that:

- the financial records of the Group for the financial year have been properly maintained in accordance with section 286 of the Corporations Act;
- the financial statements and accompanying notes, for the financial year, comply with the applicable accounting standards;
- the financial statements and accompanying notes give a true and fair view; and
- any other matter prescribed by regulations.

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The Annual Directors Declaration can only be signed after the receipt by the Board of a Declaration in writing, by the Executive Director/Chief Financial Officer. The Directors' Declaration will state that the directors have been given a declaration required by section 295A.

Additionally, the Board will seek to procure that the Executive Director put in place sound systems of risk management and internal control and that the system is operating effectively in all material respects in relation to financial risk.

**Recommendation 4.3** A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

**COMPLY: YES**

The Group is committed to providing clear, concise, timely and effective disclosure. This procedure applies to any report produced by the Group and is as follows:

- each report is prepared by, or under the supervision of, subject-matter experts;
- material statements in each report are reviewed by the relevant functional and divisional heads to ensure that they are accurate, not misleading, and meet the Group's corporate policy and regulatory requirements, and that the report contains no material omissions;
- information about the Group's resources is only included in a report if the information complies with the ASX Listing Rules;
- information in a report that relates to financial projections, statements as to future financial performance or changes to the policy or strategy of the Group (taken as a whole) must be approved by the Board; and
- each draft report is reviewed by the by entire Board and senior executive before its release.

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## PRINCIPLE 5 MAKE TIMELY AND BALANCED DISCLOSURE

**Recommendation 5.1** A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

**COMPLY: YES**

The Group has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability for compliance, the policy is made available on Group's website.

**Recommendation 5.2** A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

**COMPLY: YES**

The Group's Continuous Disclosure Policy requires all members of the Board receives material market announcements promptly after they have been made.

**Recommendation 5.3** A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

**COMPLY: YES**

The Company releases any substantive investor or analyst presentation on the ASX Market Announcements Platform ahead of the presentation.

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## PRINCIPLE 6 RESPECT THE RIGHTS OF SECURITY HOLDERS

**Recommendation 6.1** A listed entity should provide information about itself and its governance to investors via its website.

**COMPLY: YES**

Information about the Group, its operations and governance are located at [www.rewardminerals.com](http://www.rewardminerals.com).

**Recommendation 6.2** A listed entity should have an investor relations program that facilitates effective two-way communication with investors.

**COMPLY: YES**

The Company has adopted a Shareholder Communications Policy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders.

The Shareholder Communications Policy is available on the Company's website.

**Recommendation 6.3** A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

**COMPLY: YES**

The Shareholders Communication Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of security holders. The Company permits shareholders to vote online (and by other methods) prior to an Annual General Meeting if they are unable to attend the meeting. At all meetings of security holders all substantive resolutions are decided by a poll.

**Recommendation 6.4** A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

**COMPLY: YES**

The Group's Constitution provides for all substantive resolutions to be determined by a poll rather than a show of hands. The number of votes for or against a resolution is both reported in the Company's Minutes and announced to ASX in accordance with the provisions of the ASX Listing Rules.

**Recommendation 6.5** A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

**COMPLY: YES**

Shareholders are able to make contact with and receive communications from both the Share Registry and the Group electronically.

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## PRINCIPLE 7 RECOGNISE AND MANAGE RISK

**Recommendation 7.1** The Board of a listed entity should:

- (a) have a committee or committees to oversee risk, each of which:
  - (1) has at least three members, a majority of whom are independent directors; and
  - (2) is chaired by an independent director,and disclose:
  - (3) the charter of the committee;
  - (4) the members of the committee; and
  - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose the fact and the processes it employs for overseeing the entity's risk management framework.

**COMPLY: NO**

The Group has not established a risk committee.

### Explanation for Departure

Due to the size of the Group, it does not have a published risk management policy. The Executive Director is responsible for the day to day management of the Group and communicates directly with the other Board members, this ensures that any potential risk to the Group is dealt with immediately. Should the size of the Group change, the Board will consider establishing a separate risk committee.

**Recommendation 7.2** The board or a committee of the board should:

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and
- (b) disclose, in relation to each reporting period, whether such a review has taken place.

**COMPLY: YES**

The Board will review the entity's risk management framework at least annually to satisfy itself that it continues to be sound. The entity will disclose whether the review has taken place in each annual report.

**Recommendation 7.3** A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.

**COMPLY: NO**

The Group does not have an internal audit function.

### Explanation for Departure

The Executive Director is responsible for the day to day management of the Group and communicates directly with the other Board members, this ensures that any potential risk to the group is dealt with immediately.

**Recommendation 7.4** A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

**COMPLY: YES**

The Group undertakes mineral exploration, metallurgical testwork and project feasibility studies and, as such, faces risks inherent to its business, including environmental and social sustainability risks, which may materially

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impact the Group's ability to create or preserve value for security holders over the short, medium or long term. The Board actively seeks to mitigate these risks using resources reasonably available to control those risks.

One of the Group's core values is safety; it prioritises safety and health to people, the environment and community. The Group views sustainable and responsible business practices as an important long term driver of performance and shareholder value and is committed to transparency, fair dealing, responsible treatment of employees and partners and positive interaction with the community.

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## PRINCIPLE 8 REMUNERATE FAIRLY AND RESPONSIBLY

**Recommendation 8.1** The board of a listed entity should:

- (a) have a remuneration committee which:
  - (1) has at least three members, a majority of whom are independent directors; and
  - (2) is chaired by an independent director,and disclose:
  - (3) the charter of the committee;
  - (4) the members of the committee; and
  - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members; 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.

**COMPLY: NO**

Principal 8 has not fully been complied with as the Group has not established a remuneration committee.

### Explanation for Departure

The whole Board carries out the duties which would otherwise be undertaken by the remuneration committee. Due to the Group's stage of development and small size, it does not consider that a separate remuneration committee would add any efficiency to the process of determining the levels of remuneration for the directors and key executives. The Board believes it is more appropriate to set aside time at specified Board meetings each year to specifically address matters that would ordinarily fall to a remuneration committee. In addition, all matters of remuneration will continue to be in accordance with regulatory requirements, especially in respect of related party transactions; that is, none of the directors will participate in any deliberations regarding their own remuneration or related issues. The need for a remuneration committee will be reviewed annually.

**Recommendation 8.2** A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

**COMPLY: YES**

The information provided in the Remuneration Report is audited as required by section 308(3C) of the Corporations Act 2001.

The directors' fees are set out in the Directors' Report and published annually. The Group's administrative activities are carried out by contractors under instruction from the Board. Commercial rates are paid. Work performed by director controlled entities is at commercial rates and disclosed annually. The Group's executives are paid a salary commensurate with their experience and market conditions.

**Recommendation 8.3** A listed entity which has an equity-based remuneration scheme should:

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
- (b) disclose that policy or a summary of it.

**COMPLY: YES**

The Group does have an equity-based remuneration scheme, the "Employee Incentive Scheme".

The Board does not place any restrictions on the directors or staff in trading in the Group's shares other than that no trading is to take place unless all information which is price sensitive is first released to the market. It is the Board's policy to keep the market informed at all times. All directors, staff and contractors are required to

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acknowledge receipt of a copy of the Group's Securities Trading Policy which sets out guidelines for securities trading by all personnel. The Securities Trading Policy is made available on the Group's website.