

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Prospect Resources Limited

ABN/ARBN

30 124 354 329

Financial year ended:

30 June 2024

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: <https://www.prospectresources.com.au/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 24 September 2024 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 24 September 2024

Name of authorised officer
authorising lodgement: The Board

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: https://www.prospectresources.com.au/corporate-governance	
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.	<input checked="" type="checkbox"/>	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	

⁴ Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate governance/charters/”).

⁵ If you have followed all of the Council’s recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5	<p>A listed entity should:</p> <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: <ul style="list-style-type: none"> (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 in and published under that Act. <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>		<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
1.6	<p>A listed entity should:</p> <ul style="list-style-type: none"> (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. 		<input checked="" type="checkbox"/> The recommendation has been partially followed. The reasons why are disclosed in our Corporate Governance Statement.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>		<p><input checked="" type="checkbox"/></p> <p>The recommendation has been partially followed. The reasons why are disclosed in our Corporate Governance Statement.</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	<input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: https://www.prospectresources.com.au/corporate-governance and the information referred to in paragraphs (4) and (5) in: the Corporate Governance Statement.	
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.		<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
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, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors in: the Corporate Governance Statement and, where applicable, the information referred to in paragraph (b) in: the Corporate Governance Statement and the length of service of each director in the 2024 Annual Report.	
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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.	<input checked="" type="checkbox"/>	
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.		<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values in: the Corporate Governance Statement and on the Company's website.	
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.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: https://www.prospectresources.com.au/corporate-governance	
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.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: https://www.prospectresources.com.au/corporate-governance	
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.		<input checked="" type="checkbox"/> set out in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: https://www.prospectresources.com.au/corporate-governance and the information referred to in paragraphs (4) and (5) in: the Corporate Governance Statement.</p>	
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	<input checked="" type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: https://www.prospectresources.com.au/corporate-governance	
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: www.prospectresources.com.au	
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders in: the Corporate Governance Statement.	
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.	<input checked="" type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	

Key to Disclosures Corporate Governance Council Principles and Recommendations

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PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a 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>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: https://www.prospectresources.com.au/corporate-governance and the information referred to in paragraphs (4) and (5) in: the Corporate Governance Statement</p>	
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>		<input checked="" type="checkbox"/> set out in our Corporate Governance Statement
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>		<input checked="" type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks in: ASX announcements and, if we do, how we manage or intend to manage those risks in the ASX announcements.	

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Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: https://www.prospectresources.com.au/corporate-governance and the information referred to in paragraphs (4) and (5) at: the Corporate Governance Statement.</p>	
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.	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in the 2024 Annual Report.</p>	
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it at: https://www.prospectresources.com.au/corporate-governance</p>	

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.		<input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.		<input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.		<input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	N/A	
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	N/A	

2024 CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out Prospect Resources Limited's (**Company**) current compliance with the fourth edition ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at 24 September 2024 and has been approved by the board of the Company (**Board**).

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
1. Lay Solid Foundations for Management and Oversight		
1.1. <i>A listed entity should have and disclose a board charter setting out:</i> <i>(a) the respective roles and responsibilities of its board and management; and</i> <i>(b) those matters expressly reserved to the board and those delegated to management.</i>	Yes	<p>A copy of the Company's Board Charter is available on its website at:</p> <p>https://prospectresources.com.au/corporate-governance/</p> <p>The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:</p> <ul style="list-style-type: none"> (a) maintain and increase Shareholder value; (b) ensure a prudential and ethical basis for the Company's conduct and activities; and (c) ensure compliance with the Company's legal and regulatory objectives. <p>Consistent with these goals, the Board assumes the following responsibilities:</p> <ul style="list-style-type: none"> (a) developing initiatives for profit and asset growth; (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis; (c) acting on behalf of, and being accountable to, the Shareholders; and (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality. <p>The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully-informed basis.</p> <p>It is expected that the division of responsibility of the Board and senior executives will vary with the evolution of the</p>

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
		Company. The Company intends to regularly review the balance of responsibilities to ensure that the division of functions remains appropriate to the needs.
<p>1.2. <i>A listed entity should:</i></p> <p>(a) <i>undertake appropriate checks before appointing a director or senior executive, or putting someone forward for election as a director; and</i></p> <p>(b) <i>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.</i></p>	Yes	<p>The Company undertakes appropriate checks before appointing a person as a Director or senior executive of the Company.</p> <p>When the election of Directors are put to security holders at a meeting of members, all material information relevant to the vote are incorporated in the meeting documents, which includes their relevant professional history and qualifications.</p>
1.3. <i>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</i>	Yes	The Company has written agreements in place with each of its Directors and senior executives.
1.4. <i>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.</i>	Yes	The Company Secretary is directly accountable to the Board on all matters to do with the proper functioning of the Board and operates independently of the executives.
<p>1.5. <i>A listed entity should:</i></p> <p>(a) <i>have and disclose a diversity policy;</i></p> <p>(b) <i>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</i></p> <p>(c) <i>disclose in relation to each reporting period:</i></p> <p style="padding-left: 20px;"><i>a. the measurable objectives set for that period to achieve gender diversity;</i></p> <p style="padding-left: 20px;"><i>b. the entity's progress towards achieving those objectives; and</i></p> <p style="padding-left: 20px;"><i>c. either:</i></p> <p style="padding-left: 40px;"><i>(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</i></p>	No	The Board recognises the importance and value of diversity however does not have a formal diversity policy in place at this point in time.

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<p><i>(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.</i></p> <p><i>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</i></p>		
<p>1.6. A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Partial	<p>Performance evaluations are undertaken by the Chairman against agreed key performance indicators and reported to the Board. In the case of the Chairman, performance evaluation is undertaken by the Board against agreed key performance indicators, with the Chairman excusing himself from such discussion and not participating in any vote or resolution on the issue. The Board will implement and disclose a formal policy at such time as is practical.</p> <p>Performance evaluations were not conducted during the reporting period.</p>
<p>1.7. A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	Partial	<p>The Board and senior management team will regularly review the performance of its senior executives and manage any issues that may emerge. However, the Company has not found it necessary to disclose the process for evaluating performance. The Board will implement and disclose a formal policy at such time as is practical. The Board has implemented formal short term incentive and long term incentive programmes with vesting based on hurdles which have been disclosed to the Market and contained within the remuneration report section of the Annual Report.</p> <p>A performance evaluation was conducted in the reporting period.</p>
2. Structure the Board to be Effective and Add Value		
<p>2.1. The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p>	Yes	<p>The Company has established a combined Remuneration and Nomination Committee. The members of the Committee are:</p> <ul style="list-style-type: none"> • Mr Wheatley (Chair of the Committee); • Mr Fahey; and • Mr Rusike. <p>All of the Committee members are independent, Non-Executive Directors.</p>

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<p>(5) <i>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</i></p> <p>(b) <i>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.</i></p>		<p>The Committee is chaired by Mr Wheatley who is an Independent Director.</p> <p>The Charter of the Nomination and Remuneration Committee is available on the Company website.</p> <p>The number of meetings held by the Committee and individual attendance of those meetings is disclosed in the Company's Annual Report.</p>
<p>2.2. <i>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.</i></p>	No	<p>The Board intends to adopt a formal skills matrix in due course, however the Board has met and discussed the skills and diversity it has currently and considers it to be commensurate with its business activities at this present time.</p>
<p>2.3. <i>A listed entity should disclose:</i></p> <p>(a) <i>the names of the directors considered by the board to be independent directors;</i></p> <p>(b) <i>if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</i></p> <p>(c) <i>the length of service of each director.</i></p>	Yes	<p>The Company recognises that independent directors are important in assuring shareholders that the Board is fulfilling its role and is diligent in holding senior management accountable for its performance. The Board assesses each of the directors against specific criteria to decide whether they are in a position to exercise independent judgment.</p> <p>Directors of Prospect are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, the exercise of unfettered and independent judgement.</p> <p>In making this assessment, the Board considers all relevant facts and circumstances and also gives consideration to interests, positions, associations or relationships set out by the ASX Corporate Governance Council.</p> <p>The Board of Prospect has reviewed the independence of each Director and considers that Mr Mark Wheatley, Mr Gerard Fahey and Mr Zed Rusike are considered as independent directors.</p> <p>Information with respect to potential issues of independence may be disclosed to the market but no formal policy exists to ensure such disclosure.</p> <p>The length of service of each Director is published in the Company's Annual Report.</p>

ASX Principles and Recommendations		Comply (Yes/No)	Explanation
2.4.	<i>A majority of the board of a listed entity should be independent directors.</i>	Yes	<p>The Board is comprised of 3 independent Directors of the current 6 Directors. The Company notes that the Chairman is independent, giving weighting to independent decision making.</p> <p>The Company considers that the Board is appropriately structured given the scale of operations, the extensive knowledge of each of the directors regarding the Company and its business and their substantial experience and recognition in the mining industry and other industries relevant to the Company's operations.</p>
2.5.	<i>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.</i>	Yes	<p>The Company's Chairman, Mr Wheatley, is an Independent Non-Executive Director of the Company. The Chairman is not the same person as the Managing Director (equivalent to CEO), Mr Hosack.</p>
2.6.	<i>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.</i>	No	<p>The Company does not have a formal program for inducting new Directors, however the Company takes care in inducting new Directors to ensure they are able to effectively manage and govern the Company before their nomination as potential Directors.</p> <p>All Directors are encouraged to undergo continual professional development.</p>

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
3. Instill a Culture of acting Lawfully, Ethically and Responsibly		
3.1. <i>A listed entity should articulate and disclose its values</i>	Yes	<p>The Company's values are:</p> <ul style="list-style-type: none"> • Employ and train local people; • Utilise local suppliers; • Empower local communities; and • Pay sustainable dividends to all shareholders <p>The Company values are available on the Company's website.</p>
3.2. <i>A listed entity should:</i> <i>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</i> <i>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</i>	Yes	<p>The Board is committed to the establishment and maintenance of appropriate ethical standards and has approved a code of conduct which is published on its web site and can be found here:</p> <p>https://prospectresources.com.au/corporate-governance/</p> <p>The Board is informed of any material breaches of the Code.</p>
3.3. <i>A listed entity should:</i> <i>(a) have and disclose a whistleblower policy; and</i> <i>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</i>	Yes	<p>The Company has adopted a Whistleblower Policy which is available on the Company's website.</p> <p>Clause 4.3 of the Whistleblower Policy provides that the Board of Directors of the Company or a committee of the Board, must be informed of any material incidents reported under the Policy.</p>
3.4. <i>A listed entity should:</i> <i>(a) have and disclose an anti-bribery and corruption policy; and</i> <i>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</i>	No	<p>The Company does not currently have an Anti-Bribery and Corruption Policy in place.</p>
4. Safeguard the Integrity of Financial Reports		
4.1. <i>The board of a listed entity should:</i> <i>(a) have an audit committee which:</i> <i>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</i> <i>(2) is chaired by an independent director, who is not the chair of the board,</i> <i>and disclose:</i> <i>(3) the charter of the committee;</i> <i>(4) the relevant qualifications and experience of the members of the committee; and</i> <i>(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</i>	Yes	<p>The Company has established a combined Audit and Risk Committee. The members of the Committee are:</p> <ul style="list-style-type: none"> • Mr Rusike (Chair of the Committee); • Mr Gupta; and • Mr Fahey <p>The Committee comprises of Non-Executive Directors a majority of whom are independent.</p> <p>The Committee is chaired by Mr Rusike who is an Independent Director.</p> <p>The Charter of the Audit and Risk Committee is available on the Company website.</p> <p>The relevant qualifications and experience of each Committee Member is disclosed in the Directors Report, published in the Annual Report.</p>

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<i>(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.</i>		The number of meetings held by the Committee and individual attendance of those meetings is disclosed in the Company's Annual Report
4.2. <i>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.</i>	Yes	Prior to the execution of the financial statements of the Company, the Company's Managing Director and Chief Financial Officer provides the Board with a declaration that 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.
4.3. <i>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</i>	Yes	The Board is responsible for reviewing and approving the release of any periodic corporate report to the market that has not been subject to audit or review by an external auditor. The releases undergo functional sign offs and reviews by executives prior to the Board reviewing.
5. Make Timely and Balanced Disclosure		
5.1. <i>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.</i>	Yes	<p>The Company' has a Continuous Disclosure Policy that outlines the processes to be followed by the Company to ensure compliance with its continuous disclosure obligations and the corporate governance standards applied by the Company in its communications to the market. The Continuous Disclosure is available on the Company Website at https://prospectresources.com.au/corporate-governance/</p> <p>The Company is committed to providing relevant up-to-date information to its shareholders and the broader investment community in accordance with the continuous disclosure requirements under the ASX Listing Rules and the Corporations Act.</p> <p>The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX and shareholders as well as providing guidance to Directors and employees on disclosure requirements and procedures.</p>
5.2. <i>A listed entity should ensure that its Board received copies of all material market announcements promptly after they have been made.</i>	Yes	If any material market announcement is made without the prior approval of the Board, the management of the Company ensures that the Board is provided with a copy of such an announcement promptly after it has been made

ASX Principles and Recommendations		Comply (Yes/No)	Explanation
5.3.	<i>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.</i>	Yes	The Company ensures that a copy of the presentation materials are released to ASX (even if the information in the presentation would not otherwise require market disclosure).
6. Respect the Rights of Securityholders			
6.1.	<i>A listed entity should provide information about itself and its governance to investors via its website.</i>	Yes	The Company's information is provided on its website www.prospectresources.com.au .
6.2.	<i>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</i>	Yes	<p>The Company has an investor relations program and ensures that all material information is conveyed to its investors.</p> <p>Material communications are dispatched to investors either via email, surface mail and/or via market announcement.</p> <p>The Company has adopted a Shareholder Communications Policy which is available on its website.</p>
6.3.	<i>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</i>	Yes	<p>The Shareholder Communications Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of Shareholders.</p> <p>All shareholders are notified in writing of general meetings and are encouraged to attend and participate in the Annual General Meetings of the Company.</p> <p>The Company intends to accommodate shareholders who are unable to attend general meetings in person by accepting votes by proxy.</p> <p>Further, any material presented to shareholders at the meeting will be released to the ASX immediately prior to the commencement of the meeting for the benefit of those shareholders who are unable to attend in person. The Company will also announce to the ASX the outcome of each meeting immediately following its conclusion.</p> <p>At each general meeting, shareholders will be given an opportunity to ask questions in relation to the resolutions put to shareholders at that meeting, and in respect of the Company's business and operations generally.</p> <p>At each AGM, shareholders will also be invited by the Chairman to ask questions of the Company's external auditor and the Board in relation to the annual financial report of the Company and the conduct of the audit.</p>
6.4.	<i>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.</i>	Yes	All substantive resolutions at a meeting of security holders will be decided by a poll rather than a show of hands.
6.5.	<i>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</i>	Yes	The Company encourages shareholders to register for receipt of announcements and updates electronically.

ASX Principles and Recommendations		Comply (Yes/No)	Explanation
7. Recognise and Manage Risk			
7.1.	<p><i>The Board of a listed entity should:</i></p> <p><i>(a) have a committee or committees to oversee risk, each of which:</i></p> <p><i>(1) has at least three members, a majority of whom are independent directors; and</i></p> <p><i>(2) is chaired by an independent director, and disclose:</i></p> <p><i>(3) the charter of the committee;</i></p> <p><i>(4) the members of the committee; and</i></p> <p><i>(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</i></p> <p><i>(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.</i></p>	Yes	<p>The Company established an Audit and Risk Committee. The Committee had 3 members (see Recommendation 4.1 above)</p> <p>The Charter of the Audit and Risk Committee is available on the Company website.</p> <p>The number of meetings held by the Committee and individual attendance of those meetings is disclosed in the Company's Annual Report</p>
7.2.	<p><i>The board or a committee of the board should:</i></p> <p><i>(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</i></p> <p><i>(b) disclose in relation to each reporting period, whether such a review has taken place.</i></p>	No	<p>The Board is responsible for overseeing the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements.</p> <p>As of the end of this reporting period, the Board has not completed its review.</p>
7.3.	<p><i>A listed entity should disclose:</i></p> <p><i>(a) if it has an internal audit function, how the function is structured and what role it performs; or</i></p> <p><i>(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.</i></p>	No	<p>The Company does not have an internal audit function and does not disclose the processes it uses to improve risk management. Nonetheless, it remains committed to effective management and control of these factors.</p>
7.4.	<p><i>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.</i></p>	Yes	<p>All material risks are announced to the market, in accordance with the requirements of the ASX listing rules and otherwise.</p>

ASX Principles and Recommendations		Comply (Yes/No)	Explanation
8. Remunerate Fairly and Responsibly			
8.1.	<p><i>The Board of a listed entity should:</i></p> <p>(a) <i>have a remuneration committee which:</i></p> <p>(1) <i>has at least three members, a majority of whom are independent directors; and</i></p> <p>(2) <i>is chaired by an independent director, and disclose:</i></p> <p>(3) <i>the charter of the committee;</i></p> <p>(4) <i>the members of the committee; and</i></p> <p>(5) <i>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</i></p> <p>(b) <i>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.</i></p>	Yes	<p>The Company has a combined Nomination and Remuneration Committee. The Committee has 3 members (see Recommendation 2.1 above).</p> <p>The Charter of the Nomination and Remuneration Committee is available on the Company website.</p> <p>The number of meetings held by the Committee and individual attendance of those meetings is disclosed in the Company's Annual Report</p>
8.2.	<i>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.</i>	Yes	The Company's policies and practices regarding the remuneration of all Directors and other senior executives is set out in the Company's Annual Report for each financial year.
8.3.	<p><i>A listed entity which has an equity-based remuneration scheme should:</i></p> <p>(a) <i>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</i></p> <p>(b) <i>disclose that policy or a summary of it.</i></p>	Yes	The Company's Securities Trading Policy provides that Directors, officers and employees are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes. The Company's Securities Trading Policy is available on its website.
9. Additional Recommendations that Apply Only in Certain Circumstances			
9.1.	<i>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</i>	N/A	N/A

ASX Principles and Recommendations		Comply (Yes/No)	Explanation
9.2.	<i>A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time</i>	N/A	N/A
9.3.	<i>A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</i>	N/A	N/A