



LOTUS RESOURCES LIMITED

CORPORATE GOVERNANCE STATEMENT FOR 2024

The Lotus Resources Limited (“**Lotus**” or the “**Company**”) board of directors (the “**Board**” or “**Directors**”) is committed to conducting Lotus’s business in accordance with the highest standards of corporate governance to create and deliver value for its shareholders. The Board has established a corporate governance framework, including corporate governance policies, procedures and charters to support this commitment. The framework is reviewed regularly and revised in response to changes in law, developments in corporate governance and changes to the Company’s business. A copy of these charters, procedures and policies are available on the governance page of Lotus’ website (www.lotusresources.com.au) and are referred to in this document where relevant.

As a listed entity, Lotus must comply with Australian laws including the *Corporations Act* 2001 (Cth) (**Corporations Act**) and the Australian Securities Exchange Listing Rules (the “**ASX Listing Rules**”) and must report against the ASX Corporate Governance Council’s Principles and Recommendations (4th Edition) (the “**ASX Principles**”).

As required by the ASX Listing Rules, this Corporate Governance Statement (the “**Statement**”) discloses the extent to which Lotus has followed the ASX Principles. Except where otherwise explained, Lotus follows the ASX Principles.

This Statement should be read in conjunction with all material on the Company’s [website](#), including the 2024 Annual Report. This Statement relates to the financial year ended 30 June 2024 and is accurate and up to date as at 4 September 2024. This Statement has been approved by the Board.

1. PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Key policies and charters with respect to the Board are the Company's Constitution and the Board Charter.

1.1 Have and disclose a Board Charter

The Board has adopted a formal [Board Charter](#) that details the Board’s role, authority, responsibilities, membership and operations. The Charter sets out, amongst other things:

- a) Matters specifically reserved for the Board;
- b) Requirements as to the Board’s composition;
- c) The roles and responsibilities of the Chairman and of the Company Secretary;

- d) Rules for the establishment, operation and management of Board Committees;
- e) Directors' access to Company records and information;
- f) Details of the Board's relationship with management;
- g) Details of the Board's performance evaluation; and
- h) Details of the Board's disclosure policy.

In particular, the Board Charter provides that in addition to matters expressly required by law, the responsibilities of Directors include:

- a) Driving the strategic direction of the Company and defining the Company's purpose, ensuring appropriate resources are available to meet these objectives;
- b) Monitoring management's performance and when required, challenging management and holding it to account;
- c) Approving the Company's statement of values and its Code of Conduct to ensure the desired culture within the Company is maintained and monitoring the implementation of such values and culture;
- d) Ensuring that an appropriate framework exists for relevant information to be reported by management to the Board;
- e) Appointment and replacement of the Managing Director, other senior executives and the Company Secretary and the determination of the terms and conditions of their employment including remuneration and termination;
- f) Approving the Company's remuneration framework and ensuring it is aligned with the Company's purpose, values, strategic objectives and risk appetite;
- g) Monitoring the timeliness and effectiveness of reporting to shareholders;
- h) Reviewing and ratifying systems of audit, risk management (both financial and non-financial) and internal compliance and control, codes of conduct and legal compliance to minimise the possibility of the Company operating beyond acceptable risk parameters;
- i) Approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- j) Approving and monitoring the budget and the adequacy and integrity of financial and other reporting such that the financial performance of the Company has sufficient clarity to be actively monitored;
- k) Approving the annual, half yearly and quarterly accounts;
- l) Approving significant changes to the organisational structure;
- m) Approving decisions affecting the Company's capital, including determining the Company's dividend policy and declaring dividends;
- n) Recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them;
- o) Ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;

- p) Procuring appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively and to deal with new and emerging business and governance issues; and
- q) Disclosing their interests, positions or relationships such that their independence can be regularly assessed by in light of the interests disclosed by them and immediately declare to the Board any potential or active conflicts of interest.

1.2 Appointment and election of Directors

The Board ensures that appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person or putting forward to Shareholders a candidate for election as a Director.

All material information relevant to a decision on whether or not to elect or re-elect a Director is provided to Shareholders in any notice of meeting pursuant to which the resolution to elect or re-elect such Director will be voted on.

1.3 Written agreements with Directors and senior executives

All new Directors are appointed through a written agreement with the Company that sets out their duties, rights and responsibilities. The Company has written agreements in place with each of its Directors and its senior executives.

In terms of the expected time commitment of Directors, Non-Executive Agreements provide that the Director will:

- a) Attend all Board meetings and meetings of the Committees of which they are a member;
- b) Allocate the time necessary to meet the expectations of the Company and fulfil their obligations as Non-Executive Director; and
- c) Dedicate the time necessary to ensure that they discharge their duties as a Director of the Company.

1.4 Accountability of Company Secretary

The Company Secretary reports to the Chairman and the Managing Director/CEO. The Company Secretary is appointed by the Board and Directors have access to the Company Secretary.

The Company Secretary is accountable to the Board through the Chairman on matters regarding the proper functioning of the Board, including assisting the Board and Board committees with meetings and Directors' duties, advising the Board on corporate governance matters and acting as the interface between the Board and senior executives.

The role of the Company Secretary is described in more detail in the [Board Charter](#).

1.5 Inclusion and Diversity Policy

The Company has in place an [Inclusion and Diversity Policy](#) and is committed to building a diverse and inclusive workforce across a wide range of workforce demographics that extends beyond gender. While it remains committed to workforce diversity and inclusion, and has in place an Inclusion and Diversity Policy, the Company, in light of its current size, its scope of activity and employee numbers, has not yet set any measurable diversity targets in relation to gender or any other diversity characteristics and cannot make any comment on the achievements of its Inclusion and Diversity Policy. Notwithstanding this, the Company annually assesses its diversity status and reports on the same in its annual [Sustainability Reports](#).

In relation to gender, the Company has a female Director (who is also the Chair of the Company's ESG Committee). The independent Board of the Company's Botswana operating entity also has a female member. In the senior management team in Australia, the Company Secretary, Sustainability Manager and Group Financial Controller are all female.

The Board plans on renewing its composition and will seek to attract candidates with the appropriate skills and diversity to best position Lotus as it transitions to a uranium producer. Furthermore, Lotus will adopt diversity targets and a timeline for achieving such targets, to ensure that Lotus' corporate governance frameworks mature in tandem with this transition from developer to producer.

1.6 Performance evaluation of the Board

The Board considers the evaluation of its own and senior executive performance as fundamental to establishing a culture of performance and accountability. Performance evaluation of the Board and Board committees is managed by the Chairman, working with the Company Secretary.

An independent, formal performance review of the Board and its members was carried out in late 2022. As a result of the findings of this review, the Board is satisfied that its current composition is appropriate in the Company's circumstances and is satisfied that the performance of the Board and its members meets the Company's requirements.

In addition to independent reviews, the Board has an agreed performance evaluation process which includes a questionnaire relating to the role, composition, procedures, practices and behaviour of the Board, any applicable committees and its members. Senior executives having most direct contact with the Board may also be invited to complete similar questionnaires.

Responses to the questionnaires are confidential and provided directly to the Company Secretary with the results then communicated to the Chairman. The Chairman meets individually with each Board member to discuss their comments. The Chairman then meets with the Board as a whole during which each Board member has the opportunity to raise any matter, suggestion for improvement or criticism with the Board.

Individual Directors' performance evaluations are completed by the Chairman. The Chairman meets with each individual Director and discusses their participation, preparedness and general contribution to the

Board. The Board identifies weaknesses in their performance and may recommend strategies to correct those points.

The Chairman's performance evaluation is completed by an independent Director, after canvassing the views of the other Directors.

1.7 Evaluation of senior executives

The Managing Director/CEO reviews the performance of the Company's senior executives. This is conducted by the Managing Director/CEO meeting with senior executives to discuss their overall performance, having regard to individual performance objectives and Company performance objectives. The Managing Director/CEO may recommend strategies to correct weaknesses.

Directors have the opportunity to provide feedback on the performance of the senior executives to the Managing Director/CEO who can then incorporate this into his feedback to those senior executives.

A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director.

2. PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

2.1 Nomination and Remuneration Committee

The Board has the ability under the Company's Constitution to delegate its powers and responsibilities to Committees of the Board. Special Board committees shall be formed as required to give guidance and provide oversight concerning specific matters to the Board.

The Company has established a Nomination and Remuneration Committee (**NRC**). There is a Charter in place for each of the two functions of the Committee, [Nomination](#) and [Remuneration](#). These formal, Board-approved charters detail the NRC's role, authority, responsibilities, membership and operations in relation to these matters, and are reviewed at least every 2 years.

The NRC assists the Board in fulfilling its responsibilities in overseeing the:

- a) Remuneration strategy of the Company and its specific application to the Managing Director/CEO;
- b) Selection, remuneration and succession of Directors; and
- c) The appointment, performance evaluation and succession of the Managing Director/CEO.

As at 30 June 2024, the members of the Nomination and Remuneration Committee were Non-Executive Directors Mark Hanlon (Chair), Grant Davey and Dixie Marshall. Subsequent to 30 June 2024, non-executive Chairman Michael Bowen replaced Grant Davey on this Committee following Mr Davey becoming an Executive Director.

Requirements for membership of the NRC are set out in its Charters, as follows:

- a) A minimum of three Directors;

- b) A majority of members must be independent, Non-Executive Directors;
- c) The Chairperson must be a Non-Executive Director;
- d) The Chairperson of the full Board may not chair the NRC; and
- e) NRC members should possess the appropriate skills and experience and understand the industry in which the Company operates to enable the Committee to fulfil its functions appropriately.

NRC membership fulfilled these requirements both pre and post 30 June 2024, with Mark Hanlon, Michael Bowen and Dixie Marshall all considered by the Company to be independent. While Mr Davey is not considered to be independent, the majority independence threshold for the NRC was otherwise met during the period of his tenure on the Committee. All members of the NRC have the requisite skills required by the Charter.

2.2 Skills and experience

The Company's objective is to have an appropriate mix of expertise and experience on the Board, and where appropriate its committees, so that the Board can effectively discharge its corporate governance and oversight responsibilities.

The skills of each Director and the combined capabilities of the Board as a whole are considered on an annual basis by the NRC for reporting to the Board.

As also referred to below in Section 2.6 below, the Company is also committed to the continuing development of its Directors and will consider covering the cost of Directors participating in training and development programs to ensure that Directors update and enhance their skills and knowledge, including in relation to key developments in the laws, regulations, industry and the environment within which the Company operates.

A summary of the experience, skills and attributes of the Board is shown in the table below.

Experience, skills and attributes	Highly Skilled	Skilled	Knowledgeable
Corporate strategy and executive leadership Senior experience in the development, implementation or oversight of corporate strategy and/or successful experience in CEO/Managing Director and/or other senior corporate leadership roles	5		
Capital markets and business development Experience and capability in equity and debt financing, joint ventures, mergers and acquisitions and other complex corporate transactions	3		2
Risk management, corporate governance and compliance Senior executive experience in operational risk management, including identification (existing, new and emerging), monitoring, mitigation and compliance, including crisis management and a high level of understanding of corporate governance requirements	3	2	
Global business experience Experience in and understanding of global markets, as well as of	2	2	1

Experience, skills and attributes	Highly Skilled	Skilled	Knowledgeable
diverse political, economic, cultural and regulatory business environments, with the ability to maintain key in-country relationships			
Financial knowledge and experience Professional qualifications in finance disciplines or exhibits a high level of experience or background in financial accounting and reporting, internal financial and risk controls, capital management and treasury	2	2	1
Mining and metals – qualifications and industry experience Expertise in geological, engineering or geoscience and relevant industry experience in exploration, mining, processing and operations	2		3
Resources project development Resources project development and management from exploration through to development and operations stages, including those with large-scale capital outlays in the planning and execution phases	2	1	2
The uranium industry and market (including off-take) Relevant industry experience (including end-to-end commodity value chain knowledge and experience (including marketing, market demand drivers, consumers, offtake negotiation and management)	2	1	2
Board level experience Directors of other listed entities (last three years)	4	1	
Development and management of ESG processes Including an understanding of the key environmental and social impacts, risks and opportunities for the Company's operations, including development and management of health and safety practice	1	3	1
Technology Understanding of technology and innovation, including cyber security		5	

Details of the skills, experiences and expertise of each Director are also set out in the 2024 Annual Report and on the Company's website under [Board and Management](#).

In light of the skill sets reported above, the Board is of the view that as a group it has the skills, knowledge and experience to discharge its role and responsibilities and that there are no immediate gaps that need addressing. The Board acknowledges, however, that as it moves further towards, and into production, the desired skills composition for the Board may grow and evolve and hence further reviews will be regularly carried out.

2.3 Directors' status and length of service

The Board should be structured in such a way that it has a proper understanding of, and competency to deal with, the current and emerging issues of the Company's business and encourages enhanced performance of the Company. In determining the size and composition of the Board, the Company's size and operations as they evolve from time to time are key considerations.

In accordance with the Constitution and the Corporations Act, the Board must at all times have at least three Directors. The Board is currently comprised of five Directors, 3 of whom are considered by the Company to be independent (Messrs. Hanlon and Bowen and Ms Marshall).

The Company has accepted the definition of “independence” in the ASX Recommendations in making the above assessments of independence. The Company assesses the independence of non-executive directors at least annually against these criteria. See further in Section 2.4 in relation to the independence of Directors and the provisions of the [Board Charter](#) in relation to the same.

The length of a director’s tenure is also a factor considered when assessing independence. The Company’s longest serving Director, Mr Davey has tenure of just over 4 years and hence the Board is of the view that tenure length is not currently an applicable factor for any Board member. The appointment date of the Directors is as follows:

Name	Status	Appointment Date
Michael Bowen (Chairman)	Non-Executive Chairman Independent	22 February 2021
Mark Hanlon	Non-Executive Director Independent	22 February 2021
Dixie Marshall	Non-Executive Director Independent	1 April 2022
Grant Davey	Executive Director Non-independent	22 June 2020
Keith Bowes	Technical Director Non-independent	15 February 2021

2.4 Independence of Directors

While both Mr Bowen and Ms Marshall are related to organisations that provide professional services to the Company, the remaining members of the Board have determined that they both satisfy tests for independence.

In the case of Ms Marshall, the fees paid to Marketforce for the re-design of the Company’s website and general branding were \$36,236 (FY2024) on normal, arm’s length commercial terms for which it was considered that the selection of Marketforce provided certain efficiencies as a result of Ms Marshall’s knowledge of the Company’s business.

In the case of Mr. Bowen, and while the fees paid to Thompson Geer of which he is a partner were higher than in previous years at \$294,037 (FY2024) and predominantly related to the acquisition by the Company of A-Cap Energy Limited by way of Scheme of Arrangement and also provided efficiencies due to his knowledge of the Company. In addition, the Company has now moved towards using a panel of other law firms from whom a choice is made as needed based on the area of law involved.

In both cases, the remaining members of the Board have determined that the value of these services is not sufficiently material or of such a nature so as to interfere with their respective capacities to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole, rather than in the interests of an individual shareholder or other party. In addition, neither Ms Marshall nor Mr. Bowen has personally received the professional services fee paid by Lotus. This fee is paid by Lotus directly to Thompson Geer, which then distributes the fee in accordance with its partner remuneration policy and to Marketforce which may then pay dividends to its shareholders.

The Company's [Board Charter](#) requires that, where practical, the majority of the Board should be independent. The Board currently comprises a total of five Directors, three of whom are considered to be independent and as such, independent Directors currently comprise the majority of the Board.

The Board Charter contains a definition of independence in an Annexure and sets out examples of the interests, positions and relationships that might raise issues about the independence of a director, namely if the director:

- a) Is, or has been, employed in an executive capacity by the Company or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- b) Receives performance-based remuneration (including options or performance rights), or participates in an employee incentive scheme of the Company;
- c) Is, or has been within the last three years, in a material business relationship (eg as a supplier, professional adviser, consultant or customer) with the Company or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
- d) Is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder of the Company;
- e) Has close personal ties with any person who falls within any of the categories described above; or
- f) Has been a director of the Company for such a period that their independence from management and substantial holders may have been compromised.

In each case, the materiality of the interest, position or relationship needs to be assessed by the Board to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party. Changes in Directors interests and relationships is a standing item at each Board meeting and recorded in the Minutes for that meeting.

The Board Charter requires that, amongst other things:

- a) Directors must disclose their interests, positions or relationships;
- b) The independence of the Directors should be regularly assessed by the Board in light of the interests disclosed by them;

- c) Directors must apply independent judgment to the Board meetings and declare immediately to the Board any potential or active conflicts of interest; and
- d) Directors must declare immediately to the Board, and the Board will determine whether to declare to the market, any loss of independence.

The Company's Nomination & Remuneration Committee assists the Board in assessing the independence of all Board members. This is done annually in conjunction with annual financial reporting, as well as when there is a change in a Director's personal interest and for all new appointments to the Board.

The Board reviews commercial relationships connected to Directors on an ongoing basis and takes action accordingly to ensure high standards of governance and that the Board can continue to act in the best interests of the Company and its shareholders. Whilst the current composition of the Board is effectively discharging its roles and responsibilities, strengthened independence is recognised as important and something to be achieved through the Board's renewal process. In particular, in addition to increased diversity as referred to in Section 1.5, the Board intends to appoint suitably qualified and demonstrably independent directors as soon as such candidates can be practicably identified and attracted onto the Board.

2.4 Chair of the Board

The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.

Mr. Bowen is the Chairman of the Company and while he is a partner of a law firm that provided legal services to the company during FY2024, as referred to in Section 2.4, he is considered be an Independent Director. In addition, the Company is of the view that due to his extensive experience as a lawyer working in the areas of commercial and securities law with an emphasis on mergers, acquisitions, capital raisings and resources, he brings invaluable expertise to the Board. Mr Bowen is also a Certified Public Accountant and a member of the Australian Society of Accountants.

2.5 Induction of new Directors and professional development of Directors

The Board is responsible for ensuring that new Directors undergo an induction process in which they are given a full briefing on the Company, including meeting with key executives, visits to the Company's premises and the induction package referred to below. The Company is also committed to the continuing development of its Directors and will consider covering the cost of Directors participating in training and development programs to ensure Directors update and enhance their skills and knowledge, including in relation to key developments in the laws, regulations, industry and environment within which it operates.

Incoming Directors are provided with a detailed appointment letter outlining the Company's expectations. There is also a formal induction process upon engagement, including familiarising the Director with the Company's Policies, Charters and processes, role and duties, membership and function of Committees, calendar of events, insurance access and indemnity. Incoming Directors are also required to disclose all material, personal or business interest and relationships that could affect their independence.

The Company Secretary is responsible for facilitating inductions and professional development including providing Directors with briefings on material developments in laws and, regulations and through the Chief Financial Officer, accounting standards relevant to the Company.

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

3.1 Corporate values

The [Code of Conduct](#) provides a decision-making framework by establishing principles and values to guide decisions and actions. The Code promotes an organisational culture that enables employees to respond appropriately in a variety of situations and to be accountable for their decisions and requires Directors, management, contractors and employees to deal with the Company's customers, suppliers, competitors, regulatory bodies and each other with honesty, fairness and integrity and to observe the rule and spirit of the legal and regulatory environment in which the Company operates.

In particular, the Code of Conduct addresses expectations for conduct in the following areas:

- a) Acting with integrity and professionalism and be scrupulous in the proper use of Company information, funds, equipment and facilities;
- b) Exercising fairness, equity, courtesy, consideration and sensitivity in interactions with colleagues and stakeholders;
- c) Avoiding real or apparent conflicts of interest;
- d) Devoting the whole of their time, efforts, attention and skills during the hours of work and other such times as may be reasonably necessary to the performance of their duties to the best of their ability and knowledge;
- e) Using their best endeavours to promote the interests and business of the Company and its related entities;
- f) Complying with all relevant laws, rules and regulations, policies, handbooks/manuals and procedures as communicated from time to time;
- g) Being familiar at regular times with any and all such updates and amendments and comply with any updated, amended or new policies, regulations, rules, laws, handbooks/manuals and procedures;
- h) Faithfully and diligently performing duties and exercising powers consistent with the applicable role or as assigned from time to time; and
- i) Contributing to a culture of high ethical and moral standards and playing a role in preventing and correcting violations.

3.2 Code of Conduct - Breaches

The Company's Code of Conduct applies to the Company's Directors, senior executives, employees and contractors. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board. During the 2024 Financial Year, there were no reported breaches of the Code of Conduct.

3.3 Speak Up (Whistleblower) Policy

In committing to the highest standards of conduct and ethical behaviour, the Company encourages the reporting of any suspected unethical, illegal, fraudulent or undesirable conduct involving the Company. The Company will ensure that those persons who make a report, are free to do so without fear of intimidation, disadvantage or reprisal. All disclosures, whether or not they are material, are reported to the Board who is responsible for managing the Company's response. A copy of this [Policy](#) is available on the Company's website. At present, the Company Secretary is the dedicated Speak Up officer.

3.4 Anti-Bribery and Anti-Corruption Policy

Lotus has a zero-tolerance approach to bribery or corruption in its business. The [Code of Conduct](#), together with the [Anti-Bribery and Anti-Corruption Policy](#), documents the Company's commitment to ensure all officers, employees, contractors, agents and any other party representing Lotus, will act fairly, honestly, with integrity and in compliance with the law. These documents set out the standards and behaviour Lotus expects of its officers, employees and representatives and links with the [Speak Up Policy](#) for the reporting of any actual or suspected breaches.

4. PRINCIPLE 4: SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

4.1 Audit Committee

The Company has an Audit and Risk Committee (**ARC**), which has its own [Charter](#) as approved by the Board. The Charter details the role, authority, responsibilities, membership and operations of the ARC. The ARC's role is to assist the Board to protect the interests of Lotus's shareholders and stakeholders by overseeing on behalf of the Board:

- a) The integrity of financial reporting;
- b) The adequacy of the control environment and the processes for identifying and managing financial risk;
- c) The external audit function; and
- d) Compliance with applicable legal and regulatory requirements and internal codes of conduct, as requested by the board.

The current members of the ARC are Non-Executive Directors Mark Hanlon (Chair), Michael Bowen and Dixie Marshall. Requirements for membership of the ARC are set out in its Charter, as follows:

- a) The ARC must comprise a minimum of three Non-Executive Directors;
- b) A majority of its members must be independent;
- c) The Chairperson of the full Board may not chair the ARC;
- d) ARC members should possess the appropriate skills and experience and understand the industry in which the Company operates to enable the Committee to fulfil its functions appropriately; and
- e) The ARC Chair should have leadership experience and strong finance, accounting or other business backgrounds.

The current ARC membership fulfils all these requirements, with Mr Hanlon as Chair being qualified and experienced to hold that position with over 20 years of experience in senior finance roles in the resources sector, as well as 10 years in commercial and merchant banking. Mr Bowen and Ms Marshall also have the requisite skills required by the Charter. All ARC members are considered by the Company to be independent.

The Directors are given the opportunity to liaise with the Company's auditors separately and before the final signing of the half-year and annual financial statements.

The Company's current auditor is RSM Global, who was appointed in late 2015. The appointment of RSM Global is considered by the Audit and Risk Committee and the Board each year, both of which are of the view that no change in auditor was required.

4.2 Financial statements

In connection with the year-end financial reports, the Managing Director/CEO and the Chief Financial Officer provide a declaration to the Board in accordance with Australian Accounting Standards and the Corporations Act that, in their opinion, the financial records 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 Company, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Board has determined that a formal declaration is not needed for the half year results and that an annual declaration is sufficient.

4.3 Verification of financial reporting

To the extent that the information contained in the following is not audited or reviewed by an external auditor, the Company will include in each of its:

- a) Annual reports or on its website, a description of the process it undertakes to verify the integrity of the information in its annual Directors' report; and
- b) Half-year reports, or in its annual report or on its website, a description of the process it undertakes to verify the integrity of the information in its half-year reports.

5. PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

5.1 Continuous disclosure policy

In order to comply with its continuous disclosure obligations, the Board has adopted a [Continuous Disclosure Policy](#) which reinforces its commitment to the ASX continuous disclosure requirements and outlines management's accountabilities and the processes to be followed for ensuring compliance.

The Continuous Disclosure Policy requires that procedures are in place to ensure that:

- a) Information is reviewed by Company management, including consultation with the Board and external advisors as required to determine if disclosure is required;
- b) The Chairman is advised of all information to be disclosed to the market; and
- c) The Board is kept fully informed of all information subsequently disclosed to the market.

The Company Secretary has primary responsibility for administration of the Continuous Disclosure Policy, including monitoring compliance with its disclosure obligations and managing all communications with the ASX.

5.2 Notification of announcements to Directors

All announcements are released on the ASX Markets Announcement Platform and are notified to Directors. In the case of substantial announcements, these are approved by Directors before release.

5.3 Investor and analyst presentations

All substantive investor or analyst presentations are released on the ASX Markets Announcement Platform ahead of such presentations.

6. PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

6.1 Company information on website

Information about the Company and its corporate governance policies is available on the Company's [website](#).

6.2 Investor relations program

Through its shareholder communications, the Company aims to provide information that enables existing shareholders, potential shareholders and financial analysts to make informed decisions about the Company's intrinsic value and to provide the Company with feedback.

The Company has an investor relations program that aims to facilitate effective two-way communication with investors, which includes:

- a) Issuing regular written shareholder communications such as quarterly financial reporting and an Annual Report which address the Company's strategy and performance;
- b) Making available on the Company's website important information such as broker research and Company presentations;
- c) Sending and receiving shareholder communications electronically, both from the Company and from its share registry;
- d) Maintaining the Board and governance section and investor and media centre on the Company's website, including posting all announcements after they have been disclosed to the market;
- e) Engaging in a program of interactions with current and potential investors, and analysts, including participating in investor meetings, relevant conferences, and webinars;

- f) Promoting two-way interaction with shareholders, by supporting shareholder participation in the annual general meeting; and
- g) Ensuring that continuous disclosure obligations are understood and complied with throughout the Company.

In addition to electronic communication via the ASX website, the Company publishes all ASX releases, including annual and half-year financial statements, on the Company's [website](#).

6.3 Shareholder participation at general meetings

To ensure that security holders have the opportunity to participate at meetings of members:

- a) At the Annual General Meeting (**AGM**), shareholders have the opportunity to express their views, ask questions about Company business and vote on items of business for resolution by shareholders; and
- b) The Company's external auditor attends the AGM and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

In relation to the election and re-election of Directors, shareholders are informed of the names of candidates submitted for election and re-election as Directors at a general meeting of shareholders and to enable shareholders to make an informed decision regarding the election, the following information is also provided:

- a) Biographical details (including competencies and qualifications and information sufficient to enable an assessment of the independence of the candidate);
- b) Details of material business relationships between the candidate and the Company and the candidate and Directors of the Company;
- c) Directorships held;
- d) The term of office currently served by any Directors subject to re-election; and
- e) Any other particulars required by law as well as any other matters that may be material in making a decision on how to vote on the matter.

6.4 Resolutions at meetings of security holders

All resolutions at securityholder meetings are decided by a poll rather than a show of hands.

6.5 Electronic communication with security holders

The Company supports electronic communications with its shareholders. All shareholders have the option of receiving part or all of their communications electronically, and the Company regularly encourages shareholders to elect for, or transition to, electronic communications. Contact details for the Company's share registry are made available for shareholders on the Company's website and in key communications to shareholders.

7. PRINCIPLE 7: RECOGNISE AND MANAGE RISK

7.1 Risk management committee

The Company does not have a separate risk committee, but as referred to above in Section 4 of this Statement, instead has a combined Audit and Risk Committee, with risk specific meetings, with the Audit and Risk Committee having its own [Charter](#).

This Committee oversees the Company's risk management framework developed under the Company's [Risk Management Policy](#). Under the Risk Management Policy, and with input from the Audit and Risk Committee, the most significant risks for the Company are considered by the Board at its meetings, with input from management.

7.2 Risk management framework

The Company's approach to risk management is based on the identification, assessment, monitoring, management and reporting of material risks related to its business and management systems.

Risk management governance originates at Board level via the recommendations of the Audit and Risk Committee and flows through to the Managing Director/CEO and the Company's business units through the Company's risk register, management and reporting against the risk register and delegated authorities.

The Company's risk register identifies risks to which the Company is exposed, designating such risks by business function. For each risk in the Company's risk register, the likelihood and consequence of each risk materialising is assessed, and risks are then ranked accordingly. Existing risk mitigation measures are recorded in the risk register and risk rankings are adjusted according to existing risk mitigation initiatives in place.

The Board with assistance from the Audit and Risk Committee is responsible for reviewing and ratifying systems of risk management and internal control and compliance, codes of conduct and legal compliance. It uses a number of mechanisms to ensure that management's objectives and activities are aligned with the risks identified by the Board. Risk reporting is a standing item in each Board meeting agenda.

7.3 Internal audit

Owing to the current size of the Company, the Company does not maintain a designated internal audit function within the Company. The Company will, however, monitor this and may establish one in the future, particularly as the Company grows and moves into production.

The scope of work carried out by the external auditor includes a review of certain internal controls, especially as they relate to the Company's foreign subsidiaries. The report from the external auditor specifically addresses any identified weaknesses associated with internal controls as they relate to corporate reporting and any identified weaknesses form the basis of an action plan, the purpose of which

is to address any such weaknesses. Implementation and monitoring of the progress of the action plan is undertaken by the CFO, who has experience in internal audit.

Comprehensive reporting to the Board on the Company's activities, in particular the application of funds, is carried out on a monthly basis and forms an important part of the internal control process.

7.4 Environmental and social risks

The Company's [Continuous Disclosure Policy](#) requires the Company to disclose whether it has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risk.

The Company operates in foreign jurisdictions (Malawi and Botswana) and recognises the importance of working constructively with local communities. In endeavoring to ensure that the Company maintains positive, mutually beneficial relationships with local communities and other key stakeholders, it applies a multi-faceted approach that seeks to address the following aspects of its engagement:

- a) Staff and contractor conduct;
- b) Community engagement, development and complaints;
- c) Land access and relocation;
- d) Migration to the local area;
- e) Community health and safety;
- f) Environmental impact;
- g) Local employment;
- h) Local procurement; and
- i) Tracking the quality and results of projects implemented.

The Company has an Environmental, Social and Governance ("ESG") committee to assist the Board in this area, which also has its own [Charter](#), and in connection with the role of the Board and the ESG Committee, the Company has adopted a [Sustainability Policy](#).

8. PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

8.1 Remuneration Committee

The Company does not have a separate remuneration committee, but as referred to above in Section 2 of this Statement instead has a combined Nomination and Remuneration Committee.

8.2 Remuneration of Directors and senior executives

The Company seeks to ensure that remuneration packages properly reflect the relevant individual's duties and responsibilities and that the remuneration offered by the Company is competitive in attracting, retaining and motivating people of the highest quality.

Non-Executive Directors are remunerated by way of fixed remuneration (cash fees) and superannuation contributions. While in the past, Directors have also been remunerated by the issue of options (subject to Shareholder approval), as the Company grows in size and moves towards an operational level, the Board has made the decision to remunerate Directors by way of cash payment only and not by way of the issue of any form of security or incentive. The Company does not have, and does not intend to introduce, Director retirement benefits in any form (other than statutory superannuation contributions).

The Company's remuneration policy is set out in the [Remuneration Committee Charter](#). The Remuneration Committee advises the Board on suggested remuneration policies and practices, with the Board following the requirements of the Board Charter in relation to these duties.

The Remuneration Committee seeks advice from independent remuneration consultants from time to time as required to assist in discharging its duties, including periodically testing the market competitiveness of the remuneration policy and framework by benchmarking against comparable companies.

The Reward Group was engaged in July 2024 by the Committee to undertake a remuneration benchmarking review for key management personnel and review of incentive structures to ensure they are effective in achieving the Committee's objectives, including attracting and retaining a high calibre team and in driving a high-performance culture. The review is ongoing at the time of this Statement.

The Committee has in place procedures to ensure that all engagements with independent external remuneration consultants and recommendations (if any) are free from undue influence. In performing their scope Remuneration consultants may be required to interact with management to obtain the relevant information needed to form any remuneration recommendations. In these instances a Non-Executive Director, usually the Chair of the Committee, will always have oversight of interactions between independent consultants and management.

Details on the Company's approach to remuneration and the amount of remuneration and all monetary and non-monetary components for all Directors and key management personnel are included in the Remuneration Report within the Directors' Report in the Annual Report.

8.3 Equity-based remuneration

The Company has an equity-based remuneration scheme. The Company strives to have a well-designed equity-based remuneration scheme, including options or performance rights, which can be an effective form of remuneration, especially when linked to hurdles that are aligned to the Company's longer-term performance objectives. The Company takes care in the design of equity-based remuneration schemes to ensure that they do not lead to "short-termism" on the part of senior executives or the taking of undue risks. The Company has a [Share Trading Policy](#) which also applies to any equity based remuneration.

Further information about remuneration governance and principles and the Company's remuneration framework is set out above and in the Remuneration Report contained in the Annual Report.