



FIREFINCH



2022 Corporate Governance Statement

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Firefinch Limited ABN 11 113 931 105 (**Company** or **Firefinch**) has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company has referred to the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendation 4th edition (**ASX Principles**). The Company has followed each recommendation in the ASX Principles (**recommendation**) where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at www.firefinchltd.com

Charters

Board
Company Constitution
Audit and Risk Committee
Remuneration and Nomination Committee
Corporate Social Responsibility Committee

Policies and Procedures

Anti-bribery and Corruption Policy
Code of Conduct
Community Relations Policy
Disclosure Policy
Diversity and Inclusion Policy
Environmental Policy
Human Rights Policy
Induction Program
Occupational Health and Safety Policy
Privacy Policy
Process for Performance Evaluations
Risk Management Policy
Shareholder Communication and Investor Relations Policy
Whistleblower Protection Policy
Selection and (Re)Appointment of Directors
Securities Trading Policy

This Corporate Governance Statement sets out whether the Company followed each of the Recommendations during the twelve-month period ended 31 December 2022 (**Reporting Period**). This statement was approved by a resolution of the Board on 13 July 2023 and is current as at that date.

Principle 1 – Lay solid foundations for management and oversight

Recommendation 1.1

The Company's Board Charter, disclosed on the Company's website, sets out the respective roles and responsibilities reserved to the Board and those responsibilities delegated to management (primarily the Managing Director and senior executives).

Broadly speaking, the Board is responsible for:

- providing leadership and setting the strategic objectives of the Company;
- overseeing management's implementation of the Company's strategic objectives and its performance generally;
- monitoring the financial performance of the Company and overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- monitoring the effectiveness of the Company's governance practices, including formulating and adopting, monitoring compliance with and reviewing, appropriate governance policies and procedures; and
- monitoring compliance with all of the Company's legal obligations, such as those obligations relating to the environment and occupational health and safety.

The Board is mindful that while the primary objective of the Company is to create, and to continue to build, sustainable value for shareholders, the legitimate interests of other parties who may have an interest in or be affected by the activities of the Company and its subsidiaries should be taken into account.

Recommendation 1.2

The Company undertakes appropriate checks before appointing a person or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

During the Reporting Period, relevant information was provided to shareholders in connection with the re-election of Mr Mark Hepburn in accordance with article 6.1 (f) of the Constitution, at the Annual General Meeting. Formal checks are undertaken on all directors before their initial appointment.

The Company's Policy and Procedure for the Selection and (Re) Appointment of Directors, which is disclosed on the Company's website, addresses both the checks that the Company will undertake before appointing a person, or putting a person forward for election, and the information to be provided to shareholders in connection with a decision on whether to elect or re-elect a director.

Recommendation 1.3

The Company has a written agreement with each of its current directors and senior executives setting out the terms of their appointment.

Recommendation 1.4

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board as outlined in the Company's Board Charter.

Recommendation 1.5

The Company has adopted a Diversity and Inclusion Policy, which is disclosed on the Company's website. However, the Diversity Policy provides that if the board sets objectives they will be disclosed in the Company's corporate governance statements. The Board has not yet set measurable objectives for achieving gender diversity. Given the Company's operating status and the number of employees the Board considers that it is not practical to set measurable objectives for achieving gender diversity at this stage.

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation as at 31 December 2022 are set out in the following table. "Senior executive" for these purposes means a person who makes, or participates in the making of, decisions that affect the whole or a substantial part of the business or has the capacity to affect significantly the company's financial standing. As at 31 December 2022, this included the Managing Director.

Description	Proportion of women (2022) ¹	Proportion of women (2021)
Whole organisation (includes Board members and consultants)	1 out of 12 (8%)	41 out of 1821 (4.2%)
Senior executive positions	0 out of 1 (0%)	0 out of 3 (0%)
Board	0 out of 4 (0%)	0 out of 6 (0%)

¹ In preparing the Annual Report for the year ended 31 December 2022, the Board of Firefinch reviewed the facts of the situation regarding the mining operations in Mali and its effect on the application of AASB 10 Consolidated Financial Statements. It is the conclusion that Firefinch lost control of Société des Mines de Morila SA (Morila SA) on 3 November 2022 for the purposes of AASB 10. As a result the Company deconsolidated the accounts of Morila SA as of this date and as a result details of the employees of Morila SA for the period ended 21 December 2022 have not been included in this table.

Recommendation 1.6

The Company's process for evaluating the performance of the Board (including the Managing Director) and individual directors is disclosed on the Company's website.

An evaluation of the Board and individual directors was not undertaken by an external party during the Reporting Period due to the change in board composition during the year. The Remuneration and Nomination Committee resolved that an internal board evaluation be completed one year post the demerger of Leo Lithium Limited. The Remuneration and Nomination Committee completed an internal review of the performance of Mr Mark Hepburn who had sought re-election during the Reporting Period.

Recommendation 1.7

The Company's process for evaluating the performance of its senior executives is disclosed on the Company's website. An evaluation of senior executives was undertaken during the Reporting Period in accordance with the Company's process.

Principle 2 – Structure the board to add value

Recommendation 2.1

The Board established a Remuneration and Nomination Committee.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition and responsibilities of the Committee and is disclosed on the Company's website.

From 1 January 2022 to 10 July 2022, the Remuneration and Nomination Committee; (i) comprised at least three members; (ii) the majority of whom were independent directors; and (iii) was chaired by an independent director. Following the resignation of Alistair Cowden on 10 July 2022, the Remuneration and Nomination Committee did not continue to comply with recommendation 2.1 of the ASX Principles.

Given the current size and composition of the Board, the Board determined there would be no efficiencies gained by continuing to have a separate Remuneration and Nomination Committee following the resignation of Alistair Cowden on 10 July 2022.

Accordingly, since 10 July 2022, the Board performs the role of the Remuneration and Nomination Committee. Items that are usually required to be discussed by a remuneration and nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the Remuneration and Nomination Committee it carries out those functions which are delegated to it in the Remuneration and Nomination Committee Charter (as disclosed on the Company's website). The Board deals with any conflicts of interest that may occur when convening in the capacity of the Remuneration and Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

Details of the Remuneration and Nomination Committee members and meetings during the period 1 January 2022 to 31 December 2022 are set out under recommendation 2.6.

Recommendation 2.2

The Company has adopted a Board skills matrix, which formed part of a self-assessment of skills and experience considered relevant to the Company.

The combined skills and experience currently represented on the Board are set out below in the Board Skills Matrix.

In the table below, the board has assessed that it has extensive direct professional qualifications and expertise within the Board (green) for all items, except sustainability and risk management. The Board has assessed itself as having limited direct professional qualifications and expertise in the areas of sustainability and risk management (amber). The Board will take this into account when appointing any additional non-executive directors to the Board if the Company should move back into exploration or mining activities.

BOARD SKILLS MATRIX		
Skill	Description	Board Competency
Leadership	Senior executive level/CEO level in a listed company.	
Strategy	Corporate planning, including identifying and analysing strategic opportunities, developing, implementing and delivering strategic objectives and monitoring performance against strategic objectives.	
Financial Acumen	Accounting or related financial management, understanding of financial statements and reporting. Audit and Risk Committee membership.	
Sustainability	Manage the impact of operations on the environment and community, and expertise in community and stakeholder relations, public reporting. CSR/ESG Committee membership	
Risk Management	Identification, monitoring and management of material financial and non-financial risks and understanding, implementation and oversight of risk management frameworks and controls. Audit and Risk Committee membership.	
People	Management of creating and sustaining an optimal organisational culture, employee engagement, retention and reward strategies. Remuneration Committee membership.	
Mining and Technical	Senior mining executive experience in discovery, acquisition, development, operations, marketing, project development, capital projects and infrastructure.	
Corporate Governance	Corporate governance and experience as a director or senior executive in a listed company. Management and oversight of compliance with legal and regulatory requirements.	
Capital Markets and Investor Relations	Shareholder and investor relationships, national and international markets, capital raising and debt financing.	
International Operations	International operations, particularly Africa. Jurisdictions across different political, cultural, regulatory and business environments.	
Major Transactions	Mergers, acquisitions and de-mergers.	

Recommendation 2.3

The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the ASX Principles.

Name of director	Length of service	Independence
Mark Hepburn	14/11/2018 - present	Independent
Brett Fraser	11/11/2020 - present	Independent

Bradley Gordon	06/04/2021 – present	Independent
Scott Lowe	17/10/2022 – present	Not Independent
Dr Alistair Cowden	18/2/2019 – 10/07/2022	Independent
Dr Michael Anderson	06/04/2021 – 30/06/2022	Not Independent
Brendan Borg	14/11/2018 – 31/05/2022	Independent
Elizabeth Wall	05/06/2022 – 27/06/2022	Independent
Naomi Scott	05/06/2022 – 27/06/2022	Independent

The ASX Principles note as an example (among others) of a position that might raise issues about the independence of that director to include if that director 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. Whilst the Board acknowledges this example in the ASX Principles, it is of the opinion of the Board that:

- (a) Dr Cowden was independent as his executive role was temporary whilst the Company recruited a suitably qualified Managing Director to replace Mr Evans (Managing Director) who resigned in 2020. The Board notes that Dr Michael Anderson commenced as Managing Director from 6 April 2021 at which time Dr Cowden ceased to be acting in an executive capacity; and
- (b) Mr Fraser was independent during a period of time he performed in an executive role given it was temporary whilst the Company recruited a suitably qualified Managing Director to replace Dr Anderson who resigned during 2022

The Board considers that its current composition is appropriate for the Company's current activities and includes an appropriate mix of skills and experience relevant to the Company's operations.

Recommendation 2.4

At the date of this report, the Board has a majority of independent directors, as set out above.

Recommendation 2.5

The Chair of the Company, Mr Brett Fraser is independent.

Recommendation 2.6

The Company has a documented induction program, which is disclosed on the Company's website. The goal of the program is to assist new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to assist senior executives to participate fully and actively in management decision-making at the earliest opportunity.

The Remuneration and Nomination Committee (or the Board (when undertaking the functions of the Committee)) regularly reviews whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board effectively using a Board skills matrix. Where any gaps are identified, the Board will consider what training or development should be undertaken to fill those gaps. In particular, the Board will ensure that any director who does not have specialist accounting skills or knowledge has a sufficient understanding of accounting matters to fulfil

their responsibilities in relation to the Company's financial statements. Directors receive ongoing education on developments in accounting standards.

Board Committees

During the Reporting Period, the Board had three standing Committees, being the Audit and Risk Committee, the Remuneration and Nomination Committee; and the Corporate Social Responsibility Committee. As disclosed in this Corporate Governance Statement under recommendations 2.1, 4.1, 7.1 and 8.1, the Audit and Risk Committee and the Remuneration and Nomination Committee ceased to comply with the recommendation throughout the Reporting Period.

Details of meeting attendance for the relevant Committees (prior to the Board undertaking the duties of that relevant Committee) are set out in the Company's 2022 Annual Report. The relevant qualifications and experience of the members of the Committees can be found in their biographical information, which is included in the 2022 Annual Report. For all meetings held during the period 1 January 2022 to the date the Board commenced undertaking the duties of that relevant Committee was as follows:

The Board had three standing Committees, being the Audit and Risk Committee, the Remuneration and Nomination Committee; and the Corporate Social Responsibility Committee.

Given the current size and composition of the Board, the Board determined there would be no efficiencies gained by continuing to have a separate Audit and Risk Committee on 31 May 2022 when Mr Brendon Borg resigned, Remuneration and Nomination Committee on 31 July 2022 when Dr Alistair Cowden resigned; and Corporate Social Responsibility Committee on 31 July 2022 when Dr Alistair Cowden resigned. Accordingly, from these dates above the Board performs the role of the Audit and Risk Committee, Remuneration and Nomination Committee; and the Corporate Social Responsibility Committee.

Details of meeting attendance for the period 1 January 2022 to 31 December 2022 are set out in the Company's 2022 Annual Report. The relevant qualifications and experience of the members of the Committees can be found in their biographical information, which is included in the 2022 Annual Report. For all meetings held during the period 1 January 2022 to 31 December 2022, the membership of the Committee was as follows:

Committee	Members	Composition
Audit and Risk Committee	Brett Fraser (Chair), Brendan Borg (resigned 31/05/22) ¹ , Naomi Scott (05/05/22 – 27/06/2022) and Mark Hepburn	Independent Chair and all independent directors Members who between them have accounting and financial expertise and a sufficient understanding of the industries in which the Company operates, to be able to discharge the Committee's mandate effectively

Remuneration and Nomination Committee	Brendan Borg (Chair) (resigned 31/05/22), Alistair Cowden (resigned 10/07/22 ²), Brett Fraser and Mark Hepburn	Independent Chair and all independent directors
Corporate Social Responsibility Committee	Bradley Gordon (Chair), Alistair Cowden (Resigned 10/07/22 ²), Liz Wall (05/06/22 – 27/06/22) and Brett Fraser	Independent Chair and all independent directors

¹ Audit and Risk Committee disbanded on 31 May 2022 after Mr Brendon Borg resigned

² Remuneration and Nomination Committee and Corporate Social Responsibility Committee disbanded on 10 July 2022 after Dr Alistair Cowden resigned

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

Recommendation 3.1

Firefinch's core values are:

1. **RELATIONSHIPS:** We value the relationships we have with our stakeholders;
2. **WISDOM:** We value wisdom in our decision making;
3. **COURAGEOUS:** We value being courageous; and
4. **NIMBLE:** We value being nimble.

Firefinch has implemented policies and a Code of Conduct to ensure these core values are upheld in every aspect of business and all Firefinch employees, contractors and Board members are expected to comply with these Company policies.

Recommendation 3.2

The Company has established a Code of Conduct which is disclosed on the Company's website. The purpose of the Code of Conduct is to guide the behaviour of everyone in the Company (including all employees, contractors, consultants, managers and the Board, including temporary employees, contractors and directors of the Company by clearly stating Company's firm commitment to behaving honestly and fairly. The Code also provides a mechanism for the Board to be informed of any material breaches of this policy.

Recommendation 3.3

The Company has adopted a Whistleblower Protection Policy, which is disclosed on the Company's website, to encourage the persons to whom the policy applies to raise any concerns or report instances of any potential breach of law, any violations (or suspected violations) of the Company's Code of Conduct or any other legal or ethical concern without the fear of intimidation or reprisal.

The Whistleblower Protection Policy provides the Board (or its delegated committee) will be informed of any material incidents reported under the policy.

Recommendation 3.4

The Company has adopted an Anti-bribery and Corruption Policy, which is disclosed on the Company's website

Any material breaches of the Anti-bribery and Corruption Policy are to be reported to the Board.

Principle 4 – Safeguard integrity in corporate reporting

Recommendation 4.1

The Board has adopted an Audit and Risk Committee Charter which describes the role, composition and responsibilities of the Committee and is disclosed on the Company's website.

Given the current size and composition of the Board, the Board determined on 31 May 2022 on the resignation of Mr Brendan Borg there would be no efficiencies gained by continuing to have a separate an Audit and Risk Committee. Accordingly, since 31 May 2022 the Board performs the role of the Audit and Risk Committee. Items that are usually required to be discussed by an audit and risk committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the Audit and Risk Committee it carries out those functions which are delegated to it in the Audit and Risk Committee Charter (as disclosed on the Company's website). The Board deals with any conflicts of interest that may occur when convening in the capacity of the Audit and Risk Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

Details of the Audit and Risk Committee members and meetings during the period 1 January 2022 and 31 December 2022 are set out under Recommendation 2.6. and pages 8 – 12 of the 2022 Annual Report.

Details of each of the director's qualifications are set out in the Directors' Report commencing on page 8 13. Each of the members of the Board consider themselves to be financially literate and have an understanding of the industry in which the Company's operates.

The Company has also established a Procedure for the Selection, Appointment and Rotation of its External Auditor as an Appendix to the Audit and Risk Committee Charter, which is disclosed on the Company's website.

Recommendation 4.2

Before the Board approved the Company financial statements for the full-year ended 31 December 2022, it received from the Managing Director and the Interim General Manager of Finance a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated 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.

Recommendation 4.3

Each quarterly report, periodic reports and in information in the Annual Report (not audited or reviewed by an external auditor) is reviewed and approved by the Board prior to its release.

In addition, under section 250RA of the Corporations Act, the Company's auditor is required to attend the Company's annual general meeting at which the audit report is considered and must arrange to be represented at that meeting by a person who is a suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit. Each year, the Company writes to the Company's auditor to inform them of the date of the Company's annual general meeting. In

accordance with section 250S of the Corporations Act, at the Company's annual general meeting where the Company's auditor or their representative is at the meeting, the Chairman allows a reasonable opportunity for the members as a whole at the meeting to ask the auditor (or its representative) questions relevant to the conduct of the audit; the preparation and content of the auditor's report; the accounting policies adopted by the Company in relation to the preparation of the financial statements; and the independence of the auditor in relation to the conduct of the audit. The Chairman also allows a reasonable opportunity for the auditor (or their representative) to answer written questions submitted to the auditor under section 250PA of the Corporations Act.

Ms Helen Bathurst, a representative of the Company's auditor, PricewaterhouseCoopers attended the Company's annual general meeting held on 27 May 2022.

Principle 5 – Make timely and balanced disclosure

Recommendation 5.1

The Company has established written policies and procedures for complying with its continuous disclosure obligations under the ASX Listing Rules. The Company's Disclosure Policy is disclosed on the Company's website.

Recommendation 5.2

As set out in the Disclosure Policy, the Company has established a process whereby all "Significant Company Announcements" (as defined in the Disclosure Policy) are approved by the Board prior to release.

Each member of the Board is promptly circulated a copy of all announcements released to ASX.

Recommendation 5.3

The Company lodges all applicable presentation materials on the ASX Market Announcements platform prior to the presentation commencing and presentation materials are placed on the Company's website.

Principle 6 – Respect the rights of security holders

Recommendation 6.1

The Company provides information about itself and its governance to investors via its website at www.firefinchltd.com

Recommendation 6.2

The Company has designed and implemented an investor relations program to facilitate effective two-way communication with investors. The program is set out in the Company's Shareholder Communication and Investor Relations Policy.

Recommendation 6.3

The Company has in place a Shareholder Communication and Investor Relations Policy which outlines the policies and processes that it has in place to facilitate and encourage participation at meetings of shareholders.

Recommendation 6.4

The Company acknowledges the principle of “one security one vote”. The Company will ensure that all substantive resolutions at a meeting of shareholders are decided by a poll rather than by a show of hands. Notices of meeting are dispatched to all shareholders by post or email and are also placed on the Company’s website and the ASX Markets Announcements Platform.

Recommendation 6.5

Shareholders are given the option to receive communications from, and send communications to, the Company and its share registry electronically. The Company engages its share registry to manage the majority of communications with shareholders. Shareholders are encouraged to receive correspondence from the Company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders. Shareholders not already receiving information electronically can elect to do so through the share registry, Computershare Investor Services Pty Ltd, at www.computershare.com.au

Principle 7 – Recognise and manage risk

Recommendation 7.1

The Board has adopted an Audit and Risk Committee Charter which describes the role, composition and responsibilities of the Committee and is disclosed on the Company’s website.

Given the current size and composition of the Board, the Board determined on 31 May 2022, on the resignation of Mr Brendan Borg there would be no efficiencies gained by continuing to have a separate an Audit and Risk Committee. Accordingly, since 31 May 2022 the Board performs the role of the Audit and Risk Committee. Items that are usually required to be discussed by an audit and risk committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the Audit and Risk Committee it carries out those functions which are delegated to it in the Audit and Risk Committee Charter (as disclosed on the Company's website). The Board deals with any conflicts of interest that may occur when convening in the capacity of the Audit and Risk Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

Details of the Audit and Risk Committee members and meetings during the period 1 January 2022 and 31 December 2022 are set out under Recommendation 2.6.

Recommendation 7.2

The Committee reviews the Company’s risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board. The Committee reports to and makes recommendation on risk to the Board during the Reporting Period. The Company has reviewed its risk management framework and will be making changes to the framework in 2023.

Recommendation 7.3

The Company does not have an internal audit function.

To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board will rely on ongoing reporting and discussion of the management of material business risks as outlined in the Company's Risk Management Policy, a copy of which is disclosed on the Company's website.

Recommendation 7.4

The Company has identified material exposure to the following economic, environmental and social sustainability risks:

Risk	Management of risk
<p>Commodity price volatility</p> <p>Up to 2 November 2022, the Group's operating revenues were sourced from the sale of gold and to a much lesser degree, silver. These commodities are priced by external markets which are subject to fluctuation.</p> <p>Since 3 November 2022, the Group's main asset is its shareholding in Leo Lithium Limited (Leo Lithium), whose value will be impacted by price volatility in spodumene and broader lithium prices as well as the development of the Goulamina mine and the production of spodumene concentrate.</p>	<p>For the period up to 2 November 2022, factors such as inflation, exchange rates, supply and demand and political and economic events could all impact commodity prices and were outside of the Company's control.</p> <p>As the Company's main asset is its shareholding in Leo Lithium (which is mandatorily escrowed by the ASX until June 2024), the Company has very limited control over this asset and a very limited ability to mitigate any risks relating to this asset.</p>
<p>Exposure to Morila SA</p> <p>Since 3 November 2022, the Company has ceased to fund its subsidiaries in Mali and, in particular, Morila SA. Although the Company does not believe that it has any financial exposure to Morila SA including its creditors, the Company has no control over creditors and other stakeholders attempting to make claims against the Company.</p>	<p>The Company has no control over third parties making claims against the Company however it will manage this risk by defending any such claims. The Company is reasonably comfortable that its exposure to a successful claim is limited.</p>
<p>Country risk</p> <p>Mali may be subject to the effects of political changes, war and civil conflict, changes in government policy, lack of law enforcement, labour unrest, sanctions and the creation of new laws. These changes (which may include new or modified taxes or other government levies as well as other legislation) may impact the value of its shareholding in Leo Lithium. The effect of unrest and instability on political, social or economic conditions in Mali could result in the impairment of exploration, development and mining</p>	<p>Factors such as the political and economic risks outlined opposite are out of the Company's control. The Company is comfortable with how Leo Lithium is managing this risk in Mali..</p>

operations of Leo Lithium. Any such changes are beyond the control of Firefinch and may adversely affect its business.	
<p>Malian mining law and regulations</p> <p>Mining in Mali is subject to regulation under the Mining Code of Mali and Mining Regulations. These include obligations in relation to participation of the Malian government, beneficiation, the environment and site rehabilitation, community development, relationships with landowners, compliance with the Malian tax regime and funding for research, training and promotion of mining activities. There is a risk that government approvals may not be granted or may be significantly delayed. New legislation, changes to existing legislation or new government policy may impact the Company's projects.</p>	Up to 2 November 2022, the Company managed this risk by engaging suitably qualified advisers to assist the Company and its subsidiaries operate in accordance with all relevant laws and regulations. The Company also engaged with and maintained open dialogue with all relevant Malian government agencies and other relevant stakeholders.
<p>Corporate responsibility risk</p> <p>Up to 2 November 2022, the Company's operations and activities interacted with a range of community stakeholders who had an interest in the impacts of the Company's activities and required the Company to maintain a social licence to discover, develop and operate mining projects. This encompassed compliance with environmental laws and regulations, occupational health and safety laws and regulations, anti-bribery and corruption laws. It also encompassed establishment and maintenance of community relations in Mali. These gave rise to a range of risks including land access, reputational risk and the risk of losing its social licence to operate.</p>	Up to 2 November 2022, the Company engaged qualified consultants and advisers to maintain its social licence to operate in Mali, The Company strived to conduct its operations and activities to the required standard and in compliance with all applicable laws and regulations. The Company has adopted a Community Relations Policy and engages with relevant stakeholders.

In addition, the above risks form part of the Company's overall risk management strategy. The Board has adopted a Risk Management Policy. Under the Risk Management Policy, the Board oversees the processes by which risks are managed. This includes defining the Company's risk appetite, monitoring of risk performance and those risks that may have a material impact to the business. Management is responsible for the implementation of the risk management and internal control system to manage the Company's risk and to report to the Board whether those risks are being effectively managed.

The Company's system to manage its material business risks includes the preparation of a risk register by management to identify the Company's material business risks, analyse those risks, evaluate those risks (including assigning a risk owner to each risk) and treat those risks. Risks and their management are to be monitored and reviewed at least annually by senior management. The Managing Director is required to report to the Board on all matters associated with risk management as required; report to the Board as to the effectiveness of the Company's management of its material business risks at least annually and review and update the Company's risk register and present the register to the Board on at least an annual basis. The Company's Risk Management Policy is disclosed on the Company's website.

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1

The Board has established a Remuneration and Nomination Committee.

The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition and responsibilities of the Committee and is disclosed on the Company's website.

Given the current size and composition of the Board, the Board determined on 10 July 2022, on the resignation of Dr Alistair Cowden there would be no efficiencies gained by continuing to have a separate Remuneration and Nomination Committee. Accordingly, since 10 July 2022 the Board performs the role of the Remuneration and Nomination Committee. Items that are usually required to be discussed by a remuneration and nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the Remuneration and Nomination Committee it carries out those functions which are delegated to it in the Remuneration and Nomination Committee Charter (as disclosed on the Company's website). The Board deals with any conflicts of interest that may occur when convening in the capacity of the Remuneration and Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

Details of the Remuneration and Nomination members and meetings during the period 1 January 2022 and 31 December 2022 are set out under Recommendation 2.6.

Recommendation 8.2

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms part of the Directors' Report and commences at page 12 of the Company's Annual Report for the twelve-month period ended 31 December 2022.

The Company's "clawback policy" regarding the lapsing or clawback of performance-based remuneration under the Company's awards plans is set out in those plans.

Recommendation 8.3

The Company's Securities Trading Policy includes a statement on the Board's policy that participants in the Company's equity-based remuneration schemes are prohibited from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.