

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement of Silver Mines Limited (the '**Group**') has been prepared in accordance with the 4th Edition of the Australian Securities Exchange's ('**ASX**') Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council ('**ASX Principles and Recommendations**'). The Group is required to disclose the extent to which it has followed the recommendations during the financial year, including reasons where the Group has not followed a recommendation and any related alternative governance practice adopted.

Both this Corporate Governance Statement and the ASX Appendix 4G have been lodged with the ASX. This statement has been approved by the Group's Board of Directors ('**Board**') and is current as at 29 September 2023.

The following governance related documents can be found on the Group's website at <http://www.silvermines.com.au>, under the section marked 'About', 'Corporate Governance'.

Charters:

- Board
- Audit Committee
- Nomination Committee
- Remuneration Committee
- Health, Safety, Community and Sustainability Committee Charter

Policies and Procedures:

- Code of Conduct
- Continuous Disclosure
- Selection and Appointment of New Directors
- Trading in Company Securities
- Assessing the Independence of Directors
- Independent Professional Advice
- Selection, Appointment and Rotation of External Auditor
- Performance Evaluation of the Board, Board Committees, Individual Directors and Key Executives
- Compliance Strategy (summary)
- Shareholder Communication Strategy
- Risk Management Policy
- Whistleblower Policy
- Environmental Policy
- Sustainability Policy
- Policy on Health and Safety
- Policy on Human Rights
- Policy on Community Relations and Indigenous Peoples
- Policy on Climate Change
- Policy on Equal Employment Opportunity
- Policy on Fitness for Work
- Policy on Suppliers
- Diversity Policy
- Anti-Bribery and Corruption Policy

The ASX Principles and Recommendations and the Group's response as to how and whether it follows those recommendations are set out below.

Principle 1: Lay solid foundations for management and oversight

Recommendation 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.**

The Group has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter, which is disclosed on the Group's website.

The Board is collectively responsible for promoting the success of the Group through its key functions of overseeing the management of the Group, providing overall corporate governance of the Group, monitoring the financial performance of the Group, engaging appropriate management commensurate with the Group's structure and objectives, involvement in the development of corporate strategy and performance objectives, involvement in the development of corporate strategy and performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance. Senior executives are responsible for supporting the Managing Director and assisting the Managing Director in implementing the running of the general operations and financial business of the Group in accordance with the delegated authority of the Board. Senior executives are responsible for reporting all matters which fall within the Group's materiality thresholds at first instance to the Managing Director, or, if the matter concerns the Managing Director, directly to the chairman or the lead independent director, as appropriate.

Recommendation 1.2 - A listed entity should:

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

Before appointing a director, or putting forward to shareholders a director for appointment, the Group undertakes comprehensive reference checks that cover elements such as the person's character, experience, employment history and qualifications. Directors are required to declare each year that they have not been disqualified from holding the office of director by the Australian Securities and Investments Commission ('ASIC').

An election of directors is held each year. A director that has been appointed during the year must stand for election at the next Annual General Meeting ('AGM'). Retiring directors are not automatically re-appointed.

The Group has provided in the Director's Report (in the Annual Report) information about each candidate standing for election or re-election as a director that the Board considers necessary for shareholders to make a fully informed decision. Such information includes the person's biography, which includes experience and qualifications, details of other directorships, and any material information which may affect the person's ability to act independently on matters before the Board, and whether the Board supports the appointment or re-election.

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

The terms of the appointment of a non-executive director are set out in writing and cover matters such as the term of appointment, required committee work, notice requirements and other special duties and remuneration entitlements.

Executive directors and senior executives are issued with service contracts which detail the above matters as well as the circumstances in which their service may be terminated (with or without notice) and any entitlements upon termination.

Recommendation 1.4 - The company secretary of a listed entity should be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

The Company Secretary reports directly to the Board through the Chairman and is accessible to all Directors. The Company Secretary's role, in respect of matters relating to the proper functioning of the Board, includes:

- (a) advising the Board and its committees on governance matters;
- (b) monitoring compliance of the Board and associated committees with policies and procedures;
- (c) coordinating all Board business;
- (d) retaining independent professional advisors;
- (e) ensuring that the business at Board and committee meetings is accurately minuted; and
- (f) assisting with the induction and development of directors.

Recommendation 1.5 - A listed entity should:

- (a) **have and disclose 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;**
- (c) **disclose in relation to each reporting period:**
 - (i). **the measuring objectives set for that period to achieve gender diversity;**
 - (ii). **the entity's progress towards achieving those objectives; and**
 - (iii). **either:**
 - (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.**

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.

The Board has implemented a Diversity Policy in line with Corporate Governance guidelines. The Group believes that the promotion of diversity on its Board, in senior management and within the organisation generally is good practice and adds to the strength of the Group.

The policy affirms existing employment arrangements which seek to attract and retain people by promoting an environment where employees are treated with fairness and respect and have equal access to opportunities as they arise. Diversity within the workforce includes such factors as religion, race, ethnicity, language, gender, disability and age.

The Board has adopted a diversity policy that details the purpose of the policy and the employee selection and appointment guidelines, consistent with the recommendations of the Corporate Governance Council. The Board believes that the adoption of an efficient diversity policy has the effect of broadening the employee recruitment pool, supporting employee retention, including different perspectives and is socially and economically responsible governance practice.

The Company employs new employees and promotes current employees on the basis of performance, ability and attitude. The Board is continually reviewing its practices with a focus on ensuring that the selection process at all levels within the organisation is formal and transparent and that the workplace environment is open, fair and tolerant.

Historically, the Board has not set measurable objectives for achieving gender diversity. It is the Board's policy that gender discrimination has no position in the workplace and that men and women must be treated equally and without any discrimination.

The respective proportion of women employees in the whole organisation, women in senior executive positions and women on the Board as at the date of this statement are set out in the following table:

Description	Proportion of women
On the Board	1 out of 4 (25%)
In management positions	4 out of 10 (40%)
Across the whole organisation	7 out of 26 (27%)

Silver Mines acknowledges the recommendation that measurable objectives should be set to achieve gender diversity in the composition of a board if such an entity was in the S&P/ASX 300, which should not be less than 30% of its directors. Silver Mines notes the recommendation and will consider same in the context of the size and composition of the Board.

The Group is not a "relevant employer" under the Workplace Gender Equality Act.

Recommendation 1.6 - A listed entity should:

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

The Chairman is responsible for evaluation of the Board and individual directors. The Board has not established any independent committees.

The Chairman evaluates the performance of the Board and individual directors by way of ongoing review with reference to the compositions of the Board and its suitability to carry out the Group's objectives.

An evaluation of the performance of the Board and individual directors took place in the 2023 financial period. The evaluation determined that the Board was satisfied with the performance of each Director and itself as a whole.

Recommendation 1.7 - A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and**
- (b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.**

The Chairman in consultation with the Board reviews the performance of the senior executives. The current size and structure of the Group allows the Managing Director to conduct informal evaluations of the senior executives regularly. Open and regular communication with senior executives allows the Chairman to ensure that senior executives meet their responsibilities as outlined in their contracts with the Group, and to provide feedback and guidance, particularly where any performance issues are evident. Annually, individual performance may be more formally assessed in conjunction with a remuneration review.

During the 2023 Financial Year, the group conducted an evaluation of senior executives within the Group who employed throughout the period. The Group's Process for Performance Evaluation is disclosed on the Group's website.

Principle 2: Structure the board to be effective and add value.

Recommendation 2.1 - The board of a listed entity should:

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

The Board has not established a separate nomination committee other than as set out in accordance with the charter published on its website. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate nomination committee. Accordingly, the Board performs the role of the nomination committee.

Items that are usually required to be discussed by a nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the nomination committee it carries out those functions which are delegated to it by the Group's Nomination Committee Charter, which is available on the Group's website.

The Board deals with any conflicts of interest that may occur when convening as the nomination committee by ensuring that the Director with the conflicting interests is not party to the relevant discussions.

Recommendation 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.

The Board's skills matrix which it is looking to achieve in its membership includes technical experience, public company experience and financial experience.

The Board considers that this composition is appropriate for the effective execution of the Board's responsibilities and the size and operations of the Group.

Recommendation 2.3 - A listed entity should disclose:

- (a) the names of the directors considered by the Board to be independent directors;**
- (b) if a director has an interest, position or relationship 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.**

The Board considers that Keith Perrett, Kristen Podagiel and Jonathan Battershill are independent directors. These directors are independent as they are non-executive directors who are not members of management and who were free of any business or other relationship that could materially interfere with or could be reasonably perceived to interfere with, the independent exercise of their judgment.

When considering the independence of a director, the Board considers whether the director:

- (a) is a substantial shareholder of the Group or an officer of, or otherwise;**
- (b) associated directly with, a substantial shareholder of the Group;**

- (c) is employed, or has previously been employed in an executive capacity by the Group or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- (d) has within the last three years been a principal of a material professional adviser or a material consultant to the Group or another group member, or an employee materially associated with the service provided;
- (e) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of the Group;
- (f) has close personal ties with any person who falls within any of the categories described above;
- (g) is a material supplier or customer of the Group or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- (h) has been a director of the Group for such a period that their independence from management and substantial holders may have been compromised; or
- (i) has a material contractual relationship with the Group or another group member other than as a director.

Family ties and cross-directorships may be relevant in considering interests and relationships which may affect independence, and should be disclosed to the Board.

Details of the Board of directors, their appointment dated, length of service as independence status is as follows:

Director's name	Appointment date	Length of service (approx.)	Independence status
Anthony McClure	20 th June 2016	7 years	Executive
Keith Perrett	20 th June 2016	7 years	Independent Non-Executive
Jonathan Battershill	16 th June 2017	6 years	Independent Non-Executive
Kristen Podagiel	19 th April 2022	1 year 5 months	Independent Non-Executive

Where it is determined that a non-executive director should no longer be considered independent, the Group shall make an announcement to the market.

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

As at 30 June 2023, three quarters of the Board are considered independent. The Board considers that the current size and composition of the Board is appropriate for the execution of the Board's responsibilities. To assist directors with independent judgement, it is the Board's policy (set out on the Group's website) that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chairman for incurring such expense, the Group will pay the reasonable expenses with obtaining such advice.

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

Keith Perrett is the Chairman of the Board and is considered an independent director.

Recommendation 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 opportunities to maintain the skills and knowledge needed to perform their role as directors effectively.

The Board in its capacity as nomination committee has a responsibility to ensure all new directors are provided with an induction into the Group and that directors have access to ongoing education relevant to their position in the Group.

Given the current size and composition of the Board, the Board members are expected to advise the Group when further professional development is required, however, the Board considers the current skill matrix of the Board is sufficient for the Group's purposes as at the date of this annual report.

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

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

The Group is committed to providing shareholders with exceptional returns via the acquisition, exploration and development of assets containing silver and other metals.

The Group's core values include:

- Integrity and Accountability
- Excellence in Performance
- Safety
- Collaboration
- Community
- Education and Research & Development

The Group is committed to working by its core values.

Recommendation 3.2 - A listed entity should:

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

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

The Code of Conduct is available on the Group's website. It is a requirement under the Code of Conduct that the board be informed of any material incident reported under that policy, as soon as practicable following such a report.

Recommendation 3.3 - A listed entity should:

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

The Group has a whistleblower policy. The whistleblower policy is to ensure the Group is living up to its values and meets legislated requirements. This policy is available on the Group's website.

The Board is informed of any material incident reported under that policy, in accordance with the policy, as soon as practicable following such a report.

Recommendation 3.4 - A listed entity should:

- (a) **have and disclose an anti-bribery and corruption policy; and**
- (b) **ensure that the board or a committee of the board disclose is informed of any material breaches to that policy.**

The Group has established an anti-bribery and corruption policy as a part of its Code of Conduct. The Code of Conduct is available on the Group's website.

Principle 4: Safeguard the integrity in corporate reporting**Recommendation 4.1 - The board of a listed entity should:**

- (a) have an audit committee which:**
 - (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and**
 - (ii) is chaired by an independent director, who is not the chair of the board, and disclose:**
 - (i) the charter of the committee;**
 - (ii) the relevant qualifications and experience of the members of the committee; and**
 - (iii) 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**
- (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.**

The Board has not established a separate audit committee and therefore it is not structured in compliance with recommendation 4.1. Given the current size and composition of the Board, the Board believes there would be no efficiencies gained by establishing a separate audit committee. The Board performs the role of audit committee. Items required to be discussed by an audit committee are marked as separate agenda items at Board meetings as required. When the Board convenes as the audit committee it carries out those functions which are delegated to it in the Group's Audit Committee Charter, which is available on the Group's website.

The Board deals with any conflicts of interest and corporate reporting issues that may occur when convening in the capacity of the audit committee ensuring that the director with conflicting interests is not party to the relevant discussions (if applicable). Such matters are treated as a board minuted item and appropriately recorded and considered.

The Group has adopted an Audit Committee Charter which describes the role, compositions, functions and responsibilities of the audit committee.

The qualifications of the Board and company secretary are set out on the Group's website or set out in the Annual Report of the Company.

Recommendation 4.2 - The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO/managing director and CFO/company secretary 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.

For the financial year ending on 30 June 2023, the Board received a statement from its Managing Director and Company Secretary, who perform the functions of CEO and CFO respectively, declaring that in their opinion, the financial records of the Group have been properly maintained and comply with the appropriate accounting standards.

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

The Group engages an external accounting firm to maintain its financial records and assist with the collation of periodic cash flow reports which are released to the market. Such reports are provided by the Company's accountants to the Group for consideration prior to release and are finally reviewed and signed off by the Board. The completion of periodic reports by external professionals assists the Group to ensure the integrity of its financial reporting.

The Group's activity reports are prepared by employees of the Group in conjunction with external consultants and professional advisers who provide assistance with respect to compliance with ASX Listing Rules and Joint Ore Reserve Committee standards, thus assisting the Group to ensure the integrity of those reports.

Principle 5: Make timely and balanced disclosure

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

The Group has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a senior executive level for that compliance.

A summary of the Group's Policy on Continuous Disclosure and Compliance Procedure is disclosed on the Group's website.

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

All ASX announcements are approved by the Managing Director, the Chairman of the Group or by resolution of the Board prior to release.

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

The Group ensures that investor or analyst presentation materials are released on the ASX Market Announcements Platform prior to the presentation.

Principle 6: Respect the rights of security holders

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

The Group maintains information in relation to governance documents, directors and senior executives, Board and committee charters, annual reports, ASX announcements and contact details on the Group's website.

Recommendations 6.2 and 6.3

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

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

The Group has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings. The Shareholder Communication Policy is disclosed on the Group's website.

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

All resolutions put to a meeting of security holders in the Group are decided by poll rather than by a show of hands in accordance with Guidance Note 35 Security Holder Resolutions. This is to support the principle of “one share, one vote” and also supports the ASX stance on voting at general meetings of security holders.

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

The Group’s website allows security holders to receive communications from and send communications to the entity electronically. Investors may elect to receive email alerts from the Group.

Principle 7: Recognise and manage risk

Recommendations 7.1 and 7.2

The board of a listed entity should:

- (a) have a committee or committees to oversee risk, each of which:**
 - (i). has at least three members, a majority of whom are independent directors; and**
 - (ii). is chaired by an independent director, and disclose:**
 - (i). the charter of the committee;**
 - (ii). the members of the committee; and**
 - (iii). as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework (7.1).**

The board or a committee of the board should: (a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place (7.2).

The Board does not have a specific risk management committee. The Board’s audit committee as referred to in recommendation 4 above assists with monitoring and reviewing the Group’s risk management processes and systems.

The Risk Management Policy, disclosed on the Group website, demonstrates the measures taken and policies implemented to manage risks associated with the Group’s business.

The Board regularly considers and discusses the risks posed to it and the procedures in place to manage that risk to ensure that the Group is adequately protected against such risks. Annually, the Group receives and reviews recommendations from management and senior executives as to the effectiveness of the management of material business risks.

During the 2023 financial period, the Board received and reviewed recommendations from management and senior executives as to the effectiveness of the management of material business risks.

Recommendation 7.3 - A listed entity should disclose:

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

Given the size and composition of the Group, the Board has not established an internal audit function, other than the audit committee function which the Board serves as disclosed in recommendation 4 above and in the Audit Committee Charter disclosed on the website. The Board may from time to time engage an external auditor to conduct additional reviews of Group processes.

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

The risk profile of the Group is as follows:

Market-related.
Financial reporting.
Operational.
Environmental.
Economic cycle/marketing.
Legal and compliance.

These risks are managed using the Risk Management Policy disclosed on the Group's website. Under the policy, the Board is responsible for updating the Group's material business risks. In addition, the following risk management measures have been adopted by the Board to manage the Group's material business risks:

- (a) the Board has established authority limits for management, which, if proposed to be exceeded, requires prior Board approval;
- (b) the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Group's continuous disclosure obligations; and
- (c) the Board has adopted a corporate governance manual which contains other policies to assist the Group to establish and maintain its governance practices.

Additionally, as per the Group's policy on the environment (which is disclosed on the Group's website), the Group views environmental management as essential to its own future and to the future of the mining industry in general. The Group considers that sound environmental management benefits all stakeholders, including shareholders, employees, contractors, the communities within which it works and the broader community as a whole. All employees will be active towards sound environmental management and as a minimum, ensure compliance with all statutory requirements associated with the Group's activities, from mineral exploration, mining and processing through to the sale of mineral products.

The Group has also implemented an Environmental Management System that incorporates elements to achieve and maintain high environmental standards, the Group and its employees undertake to identify, control, monitor and as appropriate rehabilitate environmental impacts from all stages of the Group's activities ultimately managing and mitigating environmental risks.

The Group also has a dedicated policy on community relations and indigenous peoples (as disclosed on the Group's website) to deal with social risks and to develop mutually beneficial relationships with the communities in which the Group works and proposes to work.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1 - The board of a listed entity should:

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

The Board has not established a separate remuneration committee and accordingly it is not structured in accordance with recommendation 8.1. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate remuneration committee. Accordingly, the Board performs the role of the remuneration committee.

Items usually required of a remuneration committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the remuneration committee, it carries out those functions which are delegated to it by the Remuneration Committee Charter which is disclosed on the Group's website. The Board deals with any conflicts of interest that may occur when convening in the capacity of the remuneration committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

The full Board in its capacity as remuneration committee did not meet during the 2023 financial year however, remuneration related items were tabled and considered during a number of Board meetings during that period.

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

Details of remuneration are set out in the remuneration report which forms part of the directors report (in the Annual Report) and is set out in the Remuneration Charter on the Group's website. The policy on remuneration clearly distinguishes the structure of non-executive director's remuneration from that of executive directors. Executive directors are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness.

There are no termination or retirement benefits for non-executive directors.

The Group's Remuneration Committee Charter includes a statement of the Group's policy on prohibiting transactions in associated products which limits the risk of participating in unvested entitlements under any equity based remuneration schemes.

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

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

The Company's Remuneration Charter Committee sets out the Board's approach and policy with respect to equity-based remuneration. Specifically, such remuneration is only available where such schemes are made with sufficient disclosure to shareholders and in accordance with the Listing Rules.

Additional Recommendations

Recommendation 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.

This recommendation is not applicable to the Group.

Recommendation 9.2 – A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.

This recommendation is not applicable to the Group.

Recommendation 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.

This recommendation is not applicable to the Group.