

## 2023 CORPORATE GOVERNANCE STATEMENT

It is the responsibility of the Board of Directors (**Board**) of Jindalee Resources Limited (the **Company** or **Jindalee**) to monitor the business affairs of the Company and to protect the rights and interests of the shareholders.

The Board believes that high standards of corporate governance are an essential prerequisite for creating sustainable value for shareholders. This Corporate Governance Statement has been approved by the Jindalee Board and sets out the Company's main corporate governance policies and practices.

All these practices, unless otherwise stated, were in place for the entire year ended 30 June 2023, reported against the 4<sup>th</sup> Edition of the Australian Securities Exchange (**ASX**) Corporate Governance Council Corporate Governance Principles and Recommendations (**ASX Guidelines**). The policies and practices have aimed to ensure the implementation of a business strategy and an integrated framework of accountability over the Company's resources, functions and assets.

In addition to the information contained in this statement, the Company's website [www.jindalee.net](http://www.jindalee.net) contains a dedicated corporate governance section which includes copies of key governance policies adopted by the Company.

This Corporate Governance Statement was approved by the Board and is current as at 29 September 2023.

### ASX Guidelines

#### Principle 1: Lay solid foundations for management and oversight

##### Recommendation 1.1 – Role of the Board and Management

The Constitution provides that the business of the Company is to be managed by or under the direction of the Board. The roles and responsibilities of the Board are formalised in the Board Charter. The relationship between the Board and senior management is critical to the Company's long-term success. The Directors are responsible to shareholders for the performance of the Company in both the short and the longer term and seek to balance objectives in the best interests of the Company as a whole.

The Board is responsible for leadership, approval of the corporate strategy, implementation of business plans, allocation of resources, approval of budgets and capital expenditure, reviewing and monitoring systems of risk management, internal control and compliance, and the adherence to Company policy and codes. It also has other obligations of a regulatory and ethical nature.

Day to day management of the Company's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to appropriate management personnel in accordance with a written instrument of delegation. This delegation is reviewed on an annual basis.

For a complete list of the functions reserved to the Board and those delegated to management and to view a copy of the Board Charter, please refer to the Corporate Governance section of the Company's website at [www.jindalee.net](http://www.jindalee.net).

##### Recommendation 1.2 – Director checks

The Company performs checks on all potential Directors which include checks on a person's character, experience, education, criminal record and bankruptcy history.

Potential Directors are required to provide their consent for the Company to conduct any background or other such checks and also acknowledge they will have sufficient time available to fulfill their responsibilities as Director of the Company.

Details pertaining to the skills, qualifications and experience of each Director are displayed on the Company's website and also outlined in the Directors Report contained within the Company's 2023 Annual Financial Report (**Financial Report**).

Directors appointed to fill a casual vacancy on the Board must stand for election at the next Annual General Meeting (**AGM**) of the Company, and directors (other than the Managing Director, if any) must also retire by rotation in accordance with the ASX Listing Rules. Mr Paul Brown and Mr Lindsay Dudfield are the directors standing for re-election at the Company's 2023 AGM.

The Notice of Meeting for the AGM provides shareholders with information about each Director standing for election or re-election including details regarding the length of their tenure, relevant skills and experience.

#### Recommendation 1.3 – Written agreements with each Director and senior executive

The appointment of Non-Executive Directors is formalised in accordance with the requirements of the *Corporations Act 2001* and the Company's Constitution.

On appointment to the Board, all Non-Executive Directors enter into a written service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms of appointment, including compensation relevant to the office of Director. Remuneration and other terms of employment for the Managing Director/Chief Executive Officer (**CEO**) and other Executive Directors and senior managers are formalised in service agreements which are summarised in the Remuneration Report within the Financial Report.

#### Recommendation 1.4 – Company Secretary

The Company Secretaries are Ms Carly Terzanidis and Ms Jessamyn Lyons (together **Company Secretary**). Details of Ms Terzanidis and Ms Lyons' qualifications and experience are provided in the Directors' Report contained within the Financial Report.

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. All Directors have unfettered access to the Company Secretary.

The decision to appoint or remove the Company Secretary is made and approved by the Board.

#### Recommendation 1.5 – Diversity

The Company acknowledges the importance of diversity within the organisation and recognises the advantages arising from a workforce comprising individuals with diverse backgrounds, skills, age and experience. The benefits of promoting a diverse workforce include providing a broader pool of high quality employees, improving employee retention, accessing different perspectives, ideas and innovation as well as the benefits resulting from utilising all available talent. Accordingly the Company has established a Diversity Policy, a copy of which can be found on the Company's website.

In accordance with this policy, the Board provides information pertaining to the proportion of women employees across the organisation as at 30 June 2023:

Category	Men	Women
Board	4	0
Senior Management (excluding Executive Directors)	1	2
Whole organisation	5	3

The Company has not fully complied with recommendation 1.5 in setting measurable objectives for achieving gender diversity. The Board continues to monitor diversity across the organisation and is satisfied with the current level of gender diversity within the Company as disclosed above. Due to the small size of the Company, its level of activity and its small number of employees, the Board does not consider it appropriate at this time to formally set measurable objectives for gender diversity.

**Recommendation 1.6 – Assessment of Board Performance**

Improvement in Board processes and effectiveness is a continuing objective, and the primary purpose of the Board performance evaluation is to identify ways to improve performance.

The Board has a process for evaluating the performance of the Board and its Directors. The process for evaluating the performance of the Board is carried out internally without the use of external facilitators. The evaluation process is managed by the Chair. This review involves the performance of the Board against agreed strategic goals and the application of best practice criteria to the Board’s responsibilities.

The Board considers its processes for reviewing performance of the Board appropriate for the size and stage of development of the Company. Shareholders are also able to assess the performance of the Board and individual Directors by the way they govern and manage the Company and vote for or against their reappointment at the AGM.

**Recommendation 1.7 – Performance evaluation of senior executives**

The Board reviews the performance of senior executives against appropriate measures relating to their respective roles and responsibilities. These reviews are done at least annually and more often when deemed necessary. A review was undertaken during the reporting period in accordance with this process.

**Principle 2: Structure the Board to be effective and add value**

**Recommendation 2.1 – Nomination Committee**

The ASX Guidelines recommend listed entities should establish a nomination committee.

The Company has not complied with recommendation 2.1 as it does not have a separately established nomination committee structured in accordance with the ASX Guidelines, however responsibilities of the full Board include the duties and responsibilities typically delegated to such a committee. Given the size and the Company’s current stage of development, the Board does not believe that any marked efficiencies or enhancements would be achieved by the creation of a separate nomination committee.

When a new Director appointment is to be made the remaining Board members will seek a candidate that has relevant industry experience, time available to devote to the position of Director and appropriate skills and expertise that will increase or enhance board diversity and effectiveness. Following such an appointment that Director will stand for re-election by shareholders at the next AGM. This Corporate Governance Statement serves as the publicly available policy document for the nomination and appointment of Directors.

### Recommendation 2.2 – Board Skills Matrix

The Company seeks to ensure Board membership comprises an appropriate and diverse mix of skills and experience to discharge its duties effectively and oversee the business of the Company. A board skills matrix has been prepared and was reviewed by the Board during the financial year.

The Board Skills Matrix used by the Company sets out the mix of skills, experience and expertise the Board currently consists of across its membership. As well as general skills expected for Board membership, the matrix includes skills or professional qualifications in areas such as: geology, mining, commerce, law, risk and compliance, finance/accounting, capital markets and strategy. Each of these areas is currently well represented on the Board.

Given the current size and circumstances of the Company, the Board is of the view that the current Directors possess an appropriate mix of skills, experience, expertise and knowledge to enable the Board to discharge its responsibilities, deliver on the Company's corporate objectives and direct the Company in accordance with high standards of corporate governance.

### Recommendation 2.3 – Directors Independence

An independent director is defined in the ASX Guidelines as a Director that is free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

The following directors are considered to be independent directors:

- Mr Justin Mannolini (appointed Chair 1 July 2016)
- Mr Darren Wates (appointed 4 August 2022)
- Mr Paul Brown (appointed 1 December 2022)

Details of each Directors' skills, length of tenure, experience and expertise relevant to the position held by each Director are set out in the Directors' Report of the Financial Report and are also available on the Company's website.

The Directors may, in fulfilling their duties, obtain independent professional advice at the Company's expense, with the prior approval of the Chair.

### Recommendation 2.4 – A majority of the Board should be independent Directors

The ASX Guidelines recommend that a majority of the Board should be independent Directors. The ASX Guidelines define independence as not being a member of management and being free from any business or other relationships that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their independent judgement to act in the best interests of the Company.

In considering the Corporate Governance Council's definition of independence and recommendation that a majority of Directors and the Chair be independent, during the financial year and following the appointment of independent directors Mr Darren Wates on 4 August 2022 and Mr Paul Brown on 1 December 2022, the Company complies with recommendation 2.4.

**Recommendation 2.5** – The Chair should be an independent Director

The Company's Chair, Mr Justin Mannolini, is an independent director and was appointed to the position of Chair on 1 July 2016.

The Company continues to review its leadership and governance structures in line with its Board Charter.

**Recommendation 2.6** – Director induction and professional development

The Company has established a process for the induction of new Directors. The induction process covers all aspects of the Company's activities and operations and includes the provision of information and meetings held relevant to the position. The Board recognises the importance of providing new Directors with the opportunity to build their knowledge of the Company quickly to ensure new Directors are able to make an effective contribution to the work of the Board.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undertake professional development. Specifically, Directors are to be provided with access to resources and training to address skills gaps where they are identified and to receive continuing education concerning key developments in the Company and in the industry and environment within which the Company operates.

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

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

The Company has outlined its core vision and values by expressing the standards of behaviour it expects from its Directors, senior executives and employees in its Code of Conduct.

**Recommendation 3.2, 3.3 and 3.4** – Code of Conduct, Whistleblower Protection Policy, and Anti-Bribery and Corruption Policy

The Board is responsible for setting the tone of legal, ethical and moral conduct to ensure that the Company is considered reputable by the industry and other outside entities. This involves considering the impact of the Company's decisions on the industry in which it operates, colleagues and the general community. The Code of Conduct and Anti-Bribery and Corruption Policy adopted by the Board require that all Directors, senior executives and employees abide by the laws, regulations and business practices wherever the Company operates. The Board maintains an approach that preserves the integrity of any laws or regulations under which the Company operates. The Board acknowledges that in most cases, the best source of information about whether the Company is living up to its values are its employees. The Board encourages its employees to speak up about any unlawful, irresponsible or unethical behaviour within the organisation and to this end has adopted a Whistleblower Protection Policy.

The Company has also adopted an Anti-Bribery and Corruption Policy which prohibits Directors, officers and employees from engaging in activity that constitutes bribery or corruption.

The Company has also put in place internal controls to ensure employees only act within the authority given to them by the Board. This is to ensure that the Board has responsibility for any material transactions and dealings with outside parties, and that any legal, environmental and social consequences of such dealings will be properly considered before any action is taken.

The Company has an Environmental Policy which requires that all employees comply with the environmental regulations in force in the region in which work is undertaken. The Company is committed to dealing fairly and equitably with interested parties relating to environmental issues, such as landholders, governmental agencies and native title claimants.

The Company is committed to maintaining the highest standards of integrity and seeks to ensure that all its activities are undertaken with efficiency, honesty and fairness. The Company also maintains a high level of transparency regarding its actions consistent with the need to maintain the confidentiality of commercial-in-confidence material and market integrity. The Company has implemented a Securities Trading Policy designed to ensure that all Directors, senior managers and employees of the Company act ethically and do not use confidential information for personal gain.

Any transaction conducted by Directors with regards to shares of the Company requires notification to the ASX. Each Director has entered into an agreement to provide any such information with regards to Company dealings directly to the Company Secretary promptly to allow the Company to notify the ASX within the required reporting timeframes.

Copies of the Company's Code of Conduct, Anti-Bribery and Corruption Policy, Whistleblower Protection Policy, OHS Policy, Environmental Policy and Securities Trading Policy are available on the Corporate Governance page of the Company's website.

The enforceable cultural expectation of the Board is for information concerning any material breaches of these codes and policies to be reported immediately to the Board.

#### **Principle 4: Safeguard the integrity of corporate reports**

##### Recommendation 4.1 – Audit Committee

The ASX Guidelines recommend listed entities establish an audit committee.

The Company has not complied with recommendation 4.1 as it does not have a separately established audit committee structured in accordance with the ASX Guidelines. The Board considers that due to the Company's size, an audit committee's functions and responsibilities can be adequately and efficiently discharged by the Board as a whole, operating in accordance with the Company's mechanisms designed to ensure independent judgement in decision making. Each Director has the opportunity to meet with the Company auditor separately and prior to the final sign-off of the half yearly and final annual accounts.

The Board considers and deals with matters which would ordinarily be attended to by an audit committee including:

- assessing the adequacy of the Company's corporate reporting processes and internal control framework;
- reviewing the Company's financial statements to provide a true and fair view of the financial position and performance of the Company;
- approving and monitoring financial reporting judgements and compliance;
- monitoring the principal risks and opportunities of the Company's business;
- ensuring appropriate risk management systems are established and reviewed;
- approving and monitoring procedures for the selection of the external auditor and rotation of external audit partners;
- assessing the performance and independence of the external auditors;
- overseeing control and accountability systems; and
- reviewing and approving corporate governance systems.



The CEO is accountable to the Board for management of the Company within authority levels approved by the Board and is subject to the supervision of the Board. The CEO and Chief Financial Officer/equivalent (**CFO**) are required to periodically state in writing to the Board that the Company's financial report presents a true and fair view of the Company's financial position and that results are reported in accordance with relevant accounting standards.

#### *External auditor*

The Company's process is to appoint external auditors who clearly demonstrate quality and independence. It is the auditor's policy to rotate engagement partners on listed companies at least every five years.

#### Recommendation 4.2 – Declarations from the CEO and CFO

The Board receives regular reports on the Company's financial and operational results in conjunction with its Board meetings.

The CEO and the CFO are required to make a declaration in accordance with section 295A of the *Corporations Act 2001* and the ASX Guidelines that, in their opinion, the Company's financial report presents a true and fair view of the Company's financial position and that results are reported in accordance with relevant accounting standards, and to provide assurance that the declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects. The declaration is provided to Directors before approval of the financial statements at each reporting interval.

A declaration was received from the CEO and CFO at each financial reporting interval in line with the recommendation.

#### Recommendation 4.3 – Verifying the integrity of periodic corporate reports

The Company's process for verification of the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor is similar to the process followed for all releases to the market. That is, it ensures all releases and reports are prepared by appropriately qualified personnel with access to the appropriate information available to them to support the relevant report or release. All reports are then checked and approved for release by authorised personnel in accordance with the Company's Board approved delegation of authority.

### **Principle 5: Make timely and balanced disclosure**

#### Recommendation 5.1 – Continuous disclosure policy

The Company must comply with the continuous disclosure requirements of the ASX Listing Rules and *Corporations Act 2001* and has established a Continuous Disclosure Policy that is available on the Corporate Governance page of the Company's website. The Company is required to disclose to the ASX any information which a reasonable person would expect to have a material effect on the price or value of the Company's securities, unless the information is within certain exception criteria outlined in the ASX Listing Rules. To ensure it meets its continuous disclosure obligations, the Board has nominated the CEO and Company Secretary as responsible for all disclosure matters. Their role is to collate and, where appropriate, disclose price sensitive information.

In the Company's current stage of development, matters of crucial importance arise regularly. The CEO will discuss significant issues with Board members who jointly will make a decision on the timely release of factual and balanced information concerning the Company's activities.

**Recommendation 5.2** – Board receipt of all material market announcements

The Company has established automatic reporting via the ASX platform for distribution of immediate copies of all market announcements to the Board.

**Recommendation 5.3** – Investor and Analyst briefings

Analyst and shareholder briefings may be conducted following the release of results and major announcements and, from time to time, briefings with major shareholders are conducted in order to promote a better understanding of the Company. In conducting briefings, the Company takes care to ensure that any price sensitive information included in the content of briefings has already been made available to all shareholders in the market.

**Principle 6: Respect the rights of security holders**

**Recommendation 6.1** – Provision of information about the Company on its website

The Company has a website ([www.jindalee.net](http://www.jindalee.net)) where investors can locate information about the Company, Directors, senior executives and its governance. A Corporate Governance landing page is available on the website where all relevant corporate governance information can be accessed.

Information is conveyed to shareholders via the annual report, quarterly reports and other announcements which are delivered to the ASE and posted on the Company's website.

**Recommendation 6.2** – Investor relations

The Board aims to ensure that shareholders are kept informed of all major developments affecting the Company.

Due to the size of the Company and its current stage of development the Company does not have a formally appointed investor relations manager.

The Company instead provides the opportunity for investors to engage with the Board and management at the Company's AGM. Security holders and other financial market participants are also able to contact the Company directly to discuss any matters of concern or interest they may have from time to time.

The Board of the Company has adopted a Shareholder Communication Policy to promote effective communication with shareholders. A copy of the policy is available on the Corporate Governance page of the Company's website.

**Recommendation 6.3** – Participation at meetings of security holders

The Board encourages the attendance and participation of shareholders at the AGM and specifically convened general meetings by holding those meetings in a location accessible by a large number of shareholders.

The Company's Shareholder Communication Policy covers processes for allowing shareholders to receive reports and participate in meetings via attendance or by written communication. Presentations that are made to analysts or investors are posted in a clearly marked tab on the Company's website.

**Recommendation 6.4** – Substantive resolutions decided by Poll

All substantive resolutions at meetings of security holders are decided by poll rather than by a show of hands.



### Recommendation 6.5 – Electronic communications

Shareholders have the option to receive shareholder communications, including the annual report, by email. The Company provides a hard copy of the annual report to only those shareholders who have specifically elected to receive a printed hard copy.

Shareholders with access to the internet are encouraged to submit their email address to receive electronic copies of information distributed by the Company. Details can be found in the Shareholder Services section of the Investor Centre page on the Company's website.

## **Principle 7: Recognise and manage risk**

### Recommendation 7.1 – Risk Committee

Taking and managing risk are central to business and building shareholder value. The Board is responsible for the identification of significant areas of business risk, implementing procedures to assess, monitor and manage such risks and developing policies regarding the establishment and maintenance of appropriate ethical standards to:

- ensure compliance in legal, statutory and ethical matters;
- monitor the business environment, identify potential opportunities and risk areas therein; and
- monitor systems established to ensure prompt and appropriate responses to stakeholder complaints and/or enquiries.

The Board meets on a regular basis and reviews and monitors the parameters under which such risks will be managed.

The Board does not have a risk committee structured in accordance with recommendation 7.1(a). The Board has established a Risk Management Team (**RMT**) which comprises the CEO, Company Secretary and any other senior executives the RMT considers appropriate to oversee the daily management of risk and make recommendations to the Board on risk management matters. The RMT is not a committee of the Board and the Board acknowledges that it is ultimately responsible for the implementation of any policies, actions or decisions made by the RMT.

A copy of the Risk Management Policy is available on the Corporate Governance page of the Company's website.

### Recommendation 7.2 – Annual risk review

In accordance with the Company's policy on risk management, the Board will review at least annually the report from the RMT on the Company's management of material business risks, including strategic and emerging risks, and satisfy itself that the risk management system is operating effectively in all material respects and in accordance with the risk appetite set by the Board.

The Board is also required to periodically reassess the risk profile of the Company with a view to ensuring that potential growth opportunities can be considered where any potential material adverse risk relating to the opportunity could be effectively controlled or mitigated.

The Board is regularly briefed and involved in discussions in relation to many of the material business risks facing the Company.

The Board commenced a review of the risk management framework and RMT report during the reporting period.

### Recommendation 7.3 – Internal Audit

The Company does not have a formal internal audit function. The Board monitors the need for an internal audit function with regards to the size, geographic location and complexity of the Company's operations.

Periodic informal reviews of the Company's financial systems, documents and processes are undertaken, and any recommendations for improvement are reported to the Board as part of the Company's risk management processes. The Board also considers reviews of specific areas and monitors the implementation of system improvements.

### Recommendation 7.4 – Exposure to material economic, environmental and social sustainability risk

The Company has exposure to a number of material economic, environmental and social sustainability risks, as typical for a mineral exploration and development company. The most material exposure is to environmental risks associated with exploration activity at the McDermitt Lithium Project. In accordance with the Board Charter and Risk Management Policy, the Board has oversight of risk management, with the assistance of the RMT.

The Company has an established suite of corporate governance policies and charters in place which apply to the Board and business practice. Copies of these policies and charters, as well as the Code of Conduct, are available on the Company's website. In addition to corporate governance policies, the Company has in place specific policies and procedures to prevent bribery and corruption and managing the giving and receiving of gifts and entertainment.

## **Principle 8: Remunerate fairly and responsibly**

### Recommendation 8.1 – Remuneration Committee

The Company has a Remuneration Policy however has not established a separate remuneration committee and therefore has not entirely complied with recommendation 8.1.

In considering the current size and scale of the Company and its operations a separate remuneration committee was not considered to add any efficiency to the process of determining the levels of remuneration for Directors and key executives. The Board considers it is more appropriate to set aside time at a Board meeting each year to specifically address matters that would ordinarily fall to a remuneration committee such as reviewing remuneration, recruitment, retention and termination procedures to ensure remuneration packages and incentives remain appropriate and in accordance with the Company's commercial interests.

In addition, all matters of remuneration will continue to be in accordance with *Corporations Act 2001* requirements, especially with regard to related party transactions whereby none of the Directors may participate in any discussions or deliberations regarding their own remuneration or related issues.

A copy of the Remuneration Policy is available on the Corporate Governance page of the Company's website.

### Recommendation 8.2 – Disclosure of remuneration policies and practices

Remuneration is currently in accordance with the general principles recommended by the ASX Guidelines, that is, Non-Executive Directors receive a fixed fee for their services and do not receive performance based remuneration. Fees for Non-Executive Directors are not linked to the performance of the Company.

Non-Executive Directors' remuneration may also include an incentive portion consisting of options to subscribe for shares, the issue of which is subject to approval by shareholders.

The Board considers the nature and quantum of remuneration of its Non-Executive Directors to be appropriate and reasonable for a Company of its size and the granting of options is a useful tool for attracting retaining and motivating quality Directors without diminishing the Company's cash resources.

All executives receive either consulting fees or a salary, part of which may be taken as superannuation, and from time to time on Board approval, options. Options issued to Executive Directors are subject to approval by shareholders. The Board reviews executive packages annually by reference to the executive's performance and comparable information from industry sectors and other listed companies in similar industries.

The Remuneration Report contained in the Financial Report outlines the Director and executive remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* and the Corporations Regulations. Shareholders will be invited to consider and approve the Remuneration Report at the 2023 AGM.

There are no schemes for retirement benefits for Non-Executive Directors.

#### Recommendation 8.3 – Equity based remuneration scheme policy

The Company has adopted a Securities Incentive Plan (**Incentive Plan**), which was approved by shareholders at the 2022 AGM. The Incentive Plan is available on the Corporate Governance page of the Company's website.

The Company's Securities Trading Policy prohibits Directors, officers and employees from entering into transactions or arrangements which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining written acknowledgement from the Chair.

A copy of the Company's Securities Trading Policy can be found on the Corporate Governance page of the Company's website.