2026 Corporate Governance Statement

SILEX SYSTEMS LIMITED
ACN 003 372 067

2026 Corporate Governance Statement

Introduction

Silex Systems Limited (**Silex**, the **Company**) and the Board are committed to achieving and demonstrating the highest standards of corporate governance.

The Company's corporate governance practices are consistent with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations - 4th Edition (**ASX Principles**), except where indicated.

The ASX Principles, of which the Company meets the specific requirements, except where otherwise indicated, are as follows:

1. **Lay solid foundations for management and oversight**
2. **Structure the Board to be effective and add value**
3. **Instil a culture of acting lawfully, ethically and responsibly**
4. **Safeguard the integrity of corporate reports**
5. **Make timely and balanced disclosure**
6. **Respect the rights of security holders**
7. **Recognise and manage risk**
8. **Remunerate fairly and responsibly**

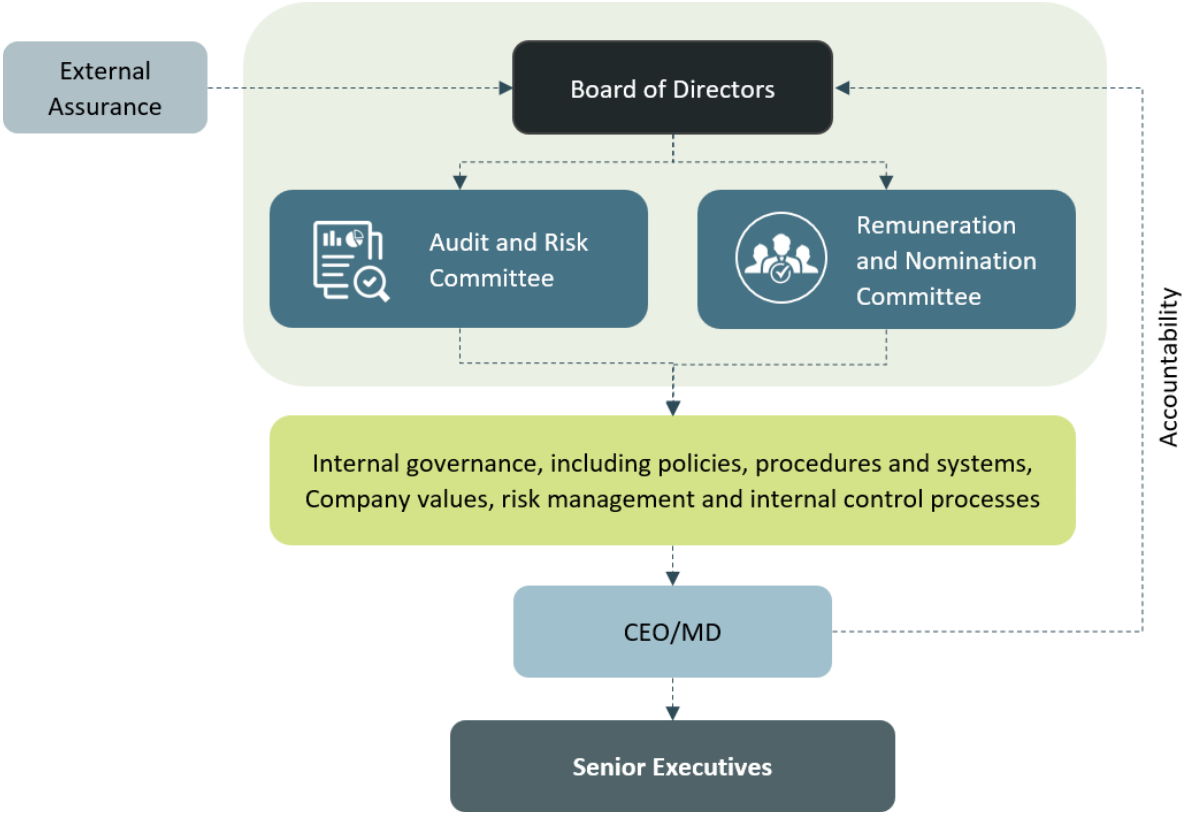
This Corporate Governance Statement is dated 30 June 2026 and reflects the corporate governance practices in place throughout FY2026 that have been designed and implemented to support and enhance the Company's performance and governance. The Board periodically reviews its governance policies and practices to ensure they continue to reflect the Company's purpose, and support the execution of the Company's activities and strategy.

This Corporate Governance Statement was approved by the Board on 27 August 2026 and lodged with the ASX together with the Company's ASX Appendix 4G.

The Company's policies, charters and codes, which are referred to in this Statement, are provided in the Corporate Governance section of the Company's website at: https://www.silex.com.au/

Principle 1: Lay solid foundations for management and oversight

The relationships between the Board, CEO/MD and senior executives underpin the success and effectiveness of the Company. The Company's governance framework is as follows:



The Board's Responsibilities

The Directors are responsible to shareholders for the performance of the Company in both the short and the longer term, and seek to balance sometimes competing objectives in the best interests of the Company as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Company is properly managed.

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 the CEO/MD and senior executives.

The Board of Directors is accountable to shareholders for the performance of the Company and is responsible for the corporate governance practices of the Company. The Board's principal objective is to maintain and increase shareholder value while ensuring that the Company's overall activities are properly managed.

The Board operates under a Charter and Code of Conduct (the **Code**), which establishes guidelines for its conduct. The purpose of the Code is to ensure that Directors act honestly, legally, responsibly and ethically, and at all times in the best interests of the Company.

Silex's corporate governance practices provide the structure that enables the Board's principal objective to be achieved, whilst ensuring that the business and affairs of the Company are conducted ethically and in accordance with the law.

The Board's overall responsibilities include:

- Defining the Company's purpose, setting strategic direction and approving corporate strategies;
- Appointing the Chair of the Board;
- Appointing and removing the CEO/MD;
- Approving the appointment and replacement of other senior executives, including the Company Secretary;
- Approving the Company's Statement of Values and Code of Conduct;
- Reviewing and approving business plans, annual budgets and financial plans;
- Monitoring management and financial performance and reporting;
- Monitoring and ensuring the maintenance of adequate risk management controls and reporting mechanisms; and
- Ensuring the business is conducted ethically and transparently.

The Board delegates responsibility for the day-to-day management of the business to the CEO/MD in accordance with the Company's Delegated Authority Policy and specified financial limits of authority approved by the Board. The CEO/MD also oversees the implementation of strategies approved by the Board. The Board understands the importance of a strong and healthy working relationship with management.

The Board uses committees to support it in matters that require more intensive review and involvement. Further details of the Board Committees are provided in Principles 4 and 8 below.

Director and Senior Executive Selection

In accordance with the Company's Constitution, all Directors (other than the CEO/MD) must retire from office and may seek re-election no later than the third Annual General Meeting (**AGM**) following their last election. When a Director stands for election or re-election, the Board provides shareholders with details of the Director's biographical details, including qualifications, skills, experience, details of other directorships or material interests they hold, and any other details that are deemed relevant to a decision on whether or not to elect or re-elect a Director. The Board includes its recommendation in relation to the proposed election or re-election of a Director in the Notice of Meeting that is sent to shareholders.

When it is necessary to appoint a new Director to fill a vacancy on the Board or to complement the existing Board, a wide and diverse potential base of possible candidates is considered from a number of channels and, if required, external recruitment consultants are engaged. The Board assesses the qualifications of the proposed new Director against a range of criteria, including experience, background, professional qualifications and skills, personal qualities, the potential for the candidate's skills to enhance and complement the existing Board, and the candidate's availability to commit to the Board's activities. A thorough reference and background checking process is then undertaken.

Should the Board's criteria be met by the candidate, the Board appoints the candidate as a Director. The newly appointed Director must retire at the next AGM and will be eligible for election by shareholders at that AGM. The Notice of Meeting for the 2025 AGM included the required information with respect to the election and re-election of Directors.

The Company has a Recruitment Policy that details the procedure and process for the recruitment of all prospective employees (including Directors and senior executives). It includes actions required pre-recruitment (including pre-employment screening) and post-recruitment.

Service Agreements

All Directors and senior executives have written agreements setting out the terms of their appointment and employment respectively.

Company Secretary

The Company Secretary is appointed by the Board and reports directly to the Board through the Chair. All Directors have access to the Company Secretary. The Company Secretary's role is in respect to matters concerning the proper functioning of the Board, coordination of Board business, matters of governance, monitoring adherence to Board policies and procedures, the engagement of independent professional advisers at the request of the Board, and assisting with the induction and professional development of new Directors.

Diversity and Inclusion

The Company values diversity and recognises the benefits arising from the recruitment, development and retention of a talented, diverse and motivated workforce.

Diversity within the Company means all things that make individuals different to one another, including, age, gender, ethnicity, religion, culture, language, disability, sexual orientation and identity, marital status and family responsibilities. It involves a commitment to equality and treating one another with respect and a zero-tolerance policy with respect to discrimination, harassment, vilification and victimisation.

Accordingly, the Company has developed a framework to facilitate meeting its diversity objectives, including with respect to gender diversity. The framework is underpinned by the Company's Diversity and Inclusion Policy, a copy of which can be found on the Company's website. This policy outlines the Company's position on all forms of diversity. Responsibility for review of matters contained within the Diversity and Inclusion Policy rests with the Board as a whole and is reflected in its Charter.

The Diversity and Inclusion Policy includes requirements for the Board to establish measurable objectives for achieving gender diversity, and for the Board to assess annually both the objectives and the Company's progress in achieving them.

In accordance with the Diversity and Inclusion Policy and ASX Principles, the Board established the following measurable objectives in relation to gender diversity for FY2026. The Company's aim is to achieve these objectives as positions become vacant and appropriately skilled candidates are available.

	FY2026 Objective	FY2026 Actual[1]
Percentage of women employees in the Company	20.0%	14.3%
Percentage of women in senior executive and management positions[2]	40.0%	33.3%
Percentage of women on the Board[3]	30.0%	25.0%

1. The above actual figures are based on a report dated 30 June 2026
2. Senior executive and management positions include those that have a leadership and management specialty
3. Percentage of women on the Board include both executive and non-executive directors; percentage of women non-executive directors: 33.3%

As at 30 June 2026, the representation of women across the Company was 14.3%, including non-executive directors. Females are currently represented within each level of the workforce, including at Board level. Silex is not required to report under the *Workplace Gender Equality Act 2012*.

Measurable Objectives

The below table details the measurable diversity objectives that have been established by the Board:

Objectives FY2026	FY2026 Outcome
Review Diversity and Inclusion Policy annually	☑ Reviewed
Undertake an annual gender pay audit to ensure equity in remuneration practices	☑ Undertaken as part of the annual remuneration review process
Report annual data across the Company on diversity in the workplace	☑ Ongoing periodic reporting
Encourage training and development to assist in furthering career goals, and to support and promote an inclusive work environment	☑ Ongoing, including formal and informal training initiatives
All recruitment processes for vacancies conducted on an equal opportunity basis, ensure that a diverse pool of candidates is considered for all roles	☑ Ongoing
Apply principles of diversity and equality when considering internal promotion and succession planning	☑ Ongoing
Encourage and support flexible working arrangements where possible, to assist employees to balance personal or family commitments whilst continuing employment	☑ Where possible, the Company provides employees with flexible working arrangements

Objectives FY2026	FY2026 Outcome
When the Board next recruits for an independent non-executive director, a broad selection of potential candidates will be presented to ensure that a cross section of candidates with diverse backgrounds, skills and experience are presented	☑ Ongoing
Foster a culture that does not tolerate harassment, bullying, or victimisation	☑ Ongoing

Review of Board and Director Performance

As part of its commitment to good corporate governance, the Board undertakes regular reviews of the practices and standards governing the Board's composition, independence and effectiveness, the accountability and compensation of Directors, and the Board's responsibility for the stewardship of the Company.

During the financial year, the Chair led a review and assessment of Board, Director and Company Secretary performance. The Chair utilised a comprehensive performance evaluation tool that also encompassed a review of the Board's Committees and accommodates the self-evaluation of each Director's role within the Board and Committees. The review and assessment process also considered the performance of the CEO/MD. As part of the process, the Chair met privately with each Director, the CEO/MD and the Company Secretary to discuss this assessment and to facilitate the provision of feedback.

The non-executive directors also met in scheduled sessions during the year, without the presence of senior executives and management, to discuss the operation of the Board and a range of other matters. Relevant matters arising from these meetings were shared with the full Board.

Review of Senior Executive Performance

During the annual remuneration review process conducted during FY2026, the CEO/MD met with senior executives and management to discuss their performance. Feedback was also sought from other Directors.

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

Board Composition – Balance of Independent Non-executive and Executive Directors

The Board is comprised of both executive and non-executive directors with a majority of non-executive directors. Non-executive directors bring a balanced perspective to the Board's consideration of strategic, risk and performance matters, and are best placed to exercise independent judgement and review and constructively challenge the performance of management.

The Chair is an independent non-executive director and all Directors are required to bring independent judgement to bear in their Board decision making. The Chair is elected by the full Board.

The Company regularly reviews the Board's composition to ensure an appropriate mix of backgrounds with complementary skills and experience. A review was conducted in July 2026 and it was deemed that the current composition of the Board is appropriate.

When a new director is to be appointed, the Board prepares a list of the requisite range of skills, knowledge, experience, independence and diversity based on the needs of the Company. From this, the Board prepares a short-list of candidates with appropriate skills and experience. A number of channels are used to source candidates to ensure the Company benefits from engaging with a broad range of individuals in the selection process.

Details of persons who held office during FY2026 and information on their skills, experience and qualifications can be found in Section 7 of the Directors' Report. The Directors of the Company in office as at the date of this Statement are:

Name	Position	Independent	Year Appointed	Date of last AGM election / re-election
Mr C A Roy	Chair, Non-executive director	Yes	2019	13 October 2023
Dr M P Goldsworthy	CEO/MD	No	1992	N/A
Ms S J Corlett	Non-executive director	Yes	2024	22 November 2024
Mr C D Wilks	Non-executive director	No	1988	17 October 2025

Directors' Independence

The Board has adopted the specific principles in relation to Directors' independence as described in Box 2.3 of the ASX Principles. The Board regularly assesses the independence of all Directors in accordance with the principles in Box 2.3 and with regard to Directors' disclosures of interests. As at 30 June 2026:

- Mr C A Roy is the independent non-executive Chair
- Ms S J Corlett is an independent non-executive Director
- Mr C D Wilks is a non-executive Director

The Board has noted the 35+ year tenure of Mr Wilks. Notwithstanding his period of service, the Board concluded that Mr Wilks retains independence in judgement and continues to be a major contributor to the Board. It is noted that the current composition of the Board does not have a majority of independent Directors and this has been considered by the Board. For the year ended 30 June 2026, the Board was considered to be an appropriate size and the Directors deemed to have an appropriate mix of independent judgement, skills, experience and tenure.

Separate roles of Chair and CEO/MD

The Chair is an independent non-executive director and is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, and facilitating Board discussions. The CEO/MD is responsible for the day-to-day management of the Company's affairs, and for implementing Company strategies and policies as determined by the Board of Directors. During FY2026, the roles of Chair and CEO/MD of the Company were held by Mr C A Roy and Dr M P Goldsworthy, respectively.

Board Committees

The Board has established two committees to assist in the execution of its duties and to allow detailed consideration of complex issues. Current committees of the Board are the Remuneration and Nomination Committee and the Audit and Risk Committee. Each committee is comprised of a majority of independent non-executive directors. The committee structure and membership are reviewed on an annual basis and a review was completed during the financial year.

Board approved charters set out the terms of reference and responsibilities of the committees. The committee charters are available in the Corporate Governance section of the Company's website.

Board Skills Matrix

The Company's Board Skills Matrix sets out the mix of skills, experience and expertise that the Board currently has and looks to have in its membership. Its structure reflects the areas particularly relevant to the key elements of the Company's strategic priorities (drive value from the core, development and commercialisation of disruptive technology, and build new growth for the business), as well as other areas of importance to the composition of the Board. The Company reviews the Board Skills Matrix annually and includes a review of the skills contributed by individual Directors and by the combined capabilities of the Board.

The areas addressed in the Board Skills Matrix are:

Strategic Priorities/Areas	Skills
Drive value from the core **Development and commercialisation of disruptive technology** **Build new growth for the business**	• General business management and entrepreneurship • Innovation, science and technology • Government relations and policy • International business, trade and investment • Strategic planning • Corporate transactions • Operations and asset optimisation • Commercialisation of technology / scientific products • Understanding and appreciation of the global nuclear fuel market
Other areas	• Leadership, including C-suite or senior management level experience • Non-executive director experience • Accounting, finance and audit • Risk management • Climate risk matters • IT, AI and cybersecurity • Legal, regulatory, governance and compliance • Business analysis • Labour relations, people and remuneration • Workplace health and safety, and security • Investor relations and capital markets • Any other skills that the Board deems required

Following an assessment for FY2026, it was concluded that each of the skill areas are currently well represented individually on the Board and as a collective. The Board benefits from the combination of each Director’s individual skills, experience and expertise in particular areas, as well as the varying perspectives and insights that arise from the interaction of Directors with diverse backgrounds.

Induction

The induction provided to new Directors and senior executives enables them to actively participate in decision-making as soon as possible. It ensures that they have a full understanding of the Company's financial position, strategies, operations, culture, values and risk management policies. It also explains the respective rights, duties, responsibilities, interaction and roles of the Board and senior executives, and the Company's meeting arrangements.

New Directors are invited to attend briefing sessions with the CEO/MD, senior executives and Chair where they may ask questions. They are also encouraged to attend site visits, at appropriate times. Directors also agree to participate in continuous improvement and professional development programs, as considered appropriate to ensure that each Director is well placed to effectively discharge his or her responsibilities.

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

Statement of Values

Underpinning the Company's execution of its strategy are its values of Innovation, Sustainability, Integrity, Excellence, Respect and Impact. The values set the standards and behaviours required from the Directors, CEO/MD, senior executives and employees of the Company. The Board approved the Company's Statement of Values and has charged the senior executives with the responsibility of instilling the values across the Company.

The Company's values are available on the Company's website.

Code of Conduct

The Company has developed a Code of Conduct (the **Code**), which has been endorsed by the Board and applies to all Directors and employees.

In summary, the Code requires that, at all times, Company personnel act with the utmost integrity, objectivity and in compliance with the letter and the spirit of the law and with Company policies. The Board will be informed of any material breaches of the Code. A copy of the Code is available on the Company's website.

Whistleblower Policy

The Company has a Whistleblower Policy that protects Directors, executives, employees, contractors, consultants, suppliers or associates who report the following conduct or the deliberate concealment of such conduct:

- Dishonest, fraudulent or corrupt conduct;
- Illegal activity (e.g., theft, violence, harassment or intimidation, criminal damage to property or other breaches of state or federal law);
- Unethical or that is in breach of the Company's policies (e.g., dishonestly altering Company records or data, adopting accounting practices that are questionable or wilfully breaching the Company's Code of Conduct or other policies or procedures);
- Conduct that amounts to an abuse of authority or position;
- Conduct that may cause financial loss to the Company or damage its reputation or be otherwise detrimental to the Company's interests;
- Conduct that is potentially damaging to the Company, an employee of the Company or a third party, such as unsafe work practices, environmental damage, health risks or abuse of the Company's property or resources;
- Conduct involving harassment (including sexual and sex-based harassment), discrimination, victimisation or bullying;
- Any misconduct or improper state of affairs or circumstances that may cause loss to the Company or be otherwise detrimental to the interests of the Company; or
- Conduct that represents a danger to the public.

The Whistleblower Policy is reviewed periodically and employee training of the Whistleblower Policy is conducted annually to ensure employees are aware of their rights and obligations under the Whistleblower Policy. The Board is informed of any material incidents reported under the Whistleblower Policy.

A copy of the Whistleblower Policy is available on the Company’s website.

Anti-bribery and Corruption Policy

The Company has an Anti-bribery and Corruption Policy, which applies to all Directors, employees and contractors of the Company and service providers. The policy requires that they must not:

- Authorise, offer, promise, give, facilitate, request, agree to receive and/or accept a bribe;
- Demand, solicit or accept an improper benefit;
- Make a donation or enter into a sponsorship agreement on behalf of the Company;
- Enter into, continue, and/or facilitate a business relationship with a third party if it cannot be satisfied that the entity will behave in a manner consistent with the Anti-bribery and Corruption Policy; or
- Keep accounts or transactions relating to dealings with third parties to facilitate or conceal improper payments.

Any actual or likely breaches of the Anti-bribery and Corruption Policy are to be immediately reported to the CEO/MD. Details of material incidents and breaches of the Anti-bribery and Corruption Policy are to be reported immediately to the Board.

The Anti-bribery and Corruption Policy is reviewed periodically and is subject to the oversight and approval of the Board. A copy of the Anti-bribery and Corruption Policy is available on the Company's website.

Principle 4: Safeguard the integrity of corporate reports

Audit and Risk Committee

The Audit and Risk Committee consists of a majority of independent non-executive directors. The current members of the Audit and Risk Committee are:

- Ms S J Corlett | Chair
- Mr C A Roy
- Mr C D Wilks

Details of these Directors' qualifications and attendance at Audit and Risk Committee meetings are set out in the Directors' Report for the year ended 30 June 2026. The Audit and Risk Committee has appropriate financial expertise, and all members are financially literate and have an appropriate understanding of the industries in which the Company operates. Ms Corlett, an independent non-executive director, was appointed Chair of the Audit and Risk Committee on 25 November 2024.

The main responsibilities of the Committee are to:

- Review, assess and approve the financial reports and all other financial information published by the Company or released to the market;
- Assist the Board in reviewing the effectiveness of the Company's internal control environment, covering:
    - Effectiveness and efficiency of operations;
    - Reliability of financial reporting;
    - Compliance with applicable laws and regulations;
- Oversee the effective operation of the risk management framework;
- Recommend to the Board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, the scope and quality of the audit, and assess performance;
- Consider the independence and competence of the external auditor on an ongoing basis;
- Review and approve the level of non-audit services provided by the external auditors and ensure it does not adversely impact on auditor independence;
- Review and monitor related party transactions and assess their propriety; and
- Report to the Board on matters relevant to the Committee's role and responsibilities.

In fulfilling its responsibilities, the Audit and Risk Committee received regular reports from management and the external auditors. It also meets with the external auditors at least twice a year – or more frequently if necessary, and reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved.

The external auditors attended all of the Audit and Risk Committee meetings held during the year. The external auditors have a clear line of direct communication at any time to either the Chair of the Audit and Risk Committee or the Chair of the Board.

The Audit and Risk Committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party.

Further details of the Audit and Risk Committee's role are set out in the Audit and Risk Committee Charter, which is available on the Company's website.

Senior Management Assurance

In accordance with Section 295A of the *Corporations Act 2001*, the CEO/MD and CFO/Company Secretary make the following declarations to the Board prior to the Directors approving the financial statements for any reporting period:

- That the Company's financial records have been properly maintained in accordance with the *Corporations Act 2001* and that the financial statements and notes for the financial year comply with accounting standards and give a true and fair view of the financial position and performance of the Company; and
- That the above statement is founded on a sound system of risk management and internal control, and that the system is operating effectively in all material respects in relation to financial reporting risks.

For the year ended 30 June 2026, the Board received the appropriate declarations from the CEO/MD and CFO/Company Secretary.

External Auditor Appointment

The Company and Audit and Risk Committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. The review with respect to FY2025 was completed in August 2025.

In accordance with Section 324DA of the *Corporations Act 2001,* the audit partner of the external audit firm for listed companies is rotated at least every five years.

An analysis of fees paid to the external auditors, including a break-down of fees for non-audit services, is provided in the full year Financial Report. It is the policy of the external auditors to provide annual declarations of their independence to the Audit and Risk Committee.

The external auditor is requested to attend the AGM and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the Audit Report. The external auditor attended Silex's AGM in October 2025.

The external auditors can meet with the Audit and Risk Committee without management present at any time and as required.

Verification of periodic reports

The Company periodically releases and discloses reports providing information regarding the Company's activities and other matters. These reports are subject to comprehensive verification by the Board and senior executives to ensure that the statements made are accurate and balanced and that any forecasts of any future events are made on a reasonable basis.

The Company's Continuous Disclosure Policy details the Company's commitment to ensuring that information regarding Silex, its financial position, performance, strategy, activities and governance is accurate, balanced and expressed in a clear and objective manner.

The Board reviews and approves disclosures and the Company Secretary is responsible for all communication with the ASX (and OTCQX).

Principle 5: Make timely and balanced disclosure

Continuous disclosure and shareholder communication

The Company is committed to giving all shareholders timely and equal access to information concerning the Company.

The Company has written policies and procedures on information disclosure that focus on continuous disclosure of any information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities. These policies and procedures also include the arrangements the Company has in place to promote effective communication with shareholders and encourage participation at general meetings. A copy of the Company's Continuous Disclosure Policy is available on the Company's website.

The Company Secretary is responsible for ensuring that announcements are communicated to the ASX (and OTCQX) in accordance with applicable laws, listing rules and obligations.

As soon as information is disclosed to the ASX (and OTCQX), it is posted on the Company's website and an email alert is sent to subscribing shareholders. Procedures have also been established for reviewing whether any price sensitive information has been inadvertently disclosed and, if so, this information is also immediately released to the market.

Material market announcements

The Board receives a copy of all material market announcements promptly following release.

Analyst presentations

All presentation materials provided at briefings to substantive investors and/or analysts are released to the ASX (and OTCQX) ahead of the briefings and are made available on the Company's website.

Principle 6: Respect the rights of security holders

Information regarding the Company

Information regarding the Company, including copies of announcements released to the ASX (and OTCQX), Annual Reports, investor presentations, operations, affairs, major developments and corporate governance matters are available on the Company's website. The Board aims to ensure that the shareholders are informed of all appropriate information regarding the Company and its governance.

Investor Relations

The Company's investor relations program is designed to ensure that the market is kept informed on all aspects of the Company and its activities. Throughout the year, the CEO/MD and CFO/Company Secretary manage a program of scheduled and ad hoc interactions with institutional investors, analysts, proxy advisers and the media. The Company participates in investor briefings, institutional investor conferences and other events, which provide additional opportunities for investors and analysts to engage with the Company.

The Annual Report is distributed to all shareholders who have elected to receive it and is made available on the Company's website. The Board ensures that the Annual Report includes relevant information about the operations of the Company, changes in the state of affairs of the Company, and details of likely future developments, in addition to the other disclosures required by the *Corporations Act 2001*.

Annual General Meeting (AGM) participation

The Board promotes effective communication with shareholders and encourages their participation at the AGM to ensure a prominent level of accountability and identification with the Company's strategy and goals. Important issues are presented to the shareholders as single resolutions. The Notice of Meeting details any supplementary information for important issues and resolutions being raised, and discloses the procedures for voting either in person or via the Company's direct voting facility managed by Silex's share registry. Shareholders are responsible for voting on the appointment of Directors.

A detailed question and answer session is hosted by the Chair and CEO/MD at each AGM where shareholders have the opportunity to ask questions or make comments. Shareholders are also encouraged to submit questions in writing to the Company before the meeting.

The 2025 AGM was a hybrid meeting and shareholders not attending in person had the opportunity to attend the meeting via webcast, ask questions and to vote online during the meeting.

Resolutions decided by a poll

All resolutions at the Company's AGM are decided by a poll rather than by a show of hands.

Electronic communication

Shareholders may elect to receive communications from the Company and its share registry electronically and the Company asks shareholders regularly if they wish to amend their election.

Principle 7: Recognise and manage risk

Risk Management

The Board, through the Audit and Risk Committee, is responsible for ensuring that there are adequate policies in relation to risk management, compliance and internal control systems. These matters are detailed in the Audit and Risk Committee Charter. In summary, the Company policies are designed to ensure strategic, operational, legal, reputational, and financial risks are identified, assessed, and effectively and efficiently managed and monitored to enable achievement of the Company's business objectives. Information about the composition of the Audit and Risk Committee was provided in Principle 4 above.

Annual Review of Risk Management Framework

The Company's risk management framework has been designed in accordance with *AS/NZS ISO 31000:2018* and this framework is reviewed annually. The review for FY2026 was completed in June 2026. This includes the review and update of the Company's Risk Appetite Statement, Risk Management Policy and the maintenance of a risk register, which sets out all of the enterprise risks that have been identified and includes an assessment of the risk (risks analysed and evaluated), and treatment plans to mitigate risks.

The risk register is compiled and is reviewed regularly by the CEO/MD, CFO/Company Secretary and senior executives and management to ensure adequate risk control measures have been identified.

The Board requires management to design and implement the risk management system and internal control processes to manage the Company's material business risks. The Board discusses these policies at regular intervals. Risks are managed in accordance with the risk management system in place and periodically reviewed. Management has reported to the Board on the effectiveness of the Company's management of its material business risks.

The Board requires that each major proposal submitted to the Board for decision is accompanied by sufficient due diligence and risk review.

Internal Audit

The Company does not have an internal audit function due to its relatively small size. Throughout the year, the Board evaluated the risk management system and internal control processes. The evaluation and internal review process includes assessing how well risks are identified and managed, adherence to agreed procedures and the need for updating processes and procedures to implement efficiencies or innovations or improve controls. This internal review process is continuous and intended to ensure that the governance framework, on an operational level, is effective at all times. In accordance with Section 295A of the *Corporations Act 2001,* the Company has received declarations from the CEO/MD and CFO/Company Secretary that a sound system of risk management and internal control is operating effectively in all material respects in relation to financial reporting risks.

Detailed control procedures cover management accounting, financial reporting, project appraisal, environmental impact, workplace health and safety, IT security, regulatory, compliance and other risk management issues. Considerable importance is placed on maintaining a strong control environment. There is an organisational structure with clear lines of accountability and delegation of authority. Adherence to the Code is required at all times and the Board actively promotes a culture of quality and integrity.

Environmental and Social Risks

The Company is unaware of any material exposure to unmanageable environmental and social sustainability risks, noting that, due to its small size, and in line with current regulatory requirements, it does not currently produce a sustainability report. The Company is continuing to develop its assessment of the impact of climate change in line with emerging industry and regulatory guidance.

The Board, through the Audit and Risk Committee, has oversight of environmental risks and compliance. The Company's exposure to social risks is managed through its policies and practices, including the Code, Whistleblower Policy and Anti-bribery and Corruption Policy.

The Company has a well-defined Environmental, Social and Governance (**ESG**) commitment and continues to work towards the enhancement of its ESG disclosures.

Principle 8: Remunerate fairly and responsibly

Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of a majority of independent non-executive directors and the Chair is an independent non-executive director. The current members of the People and Remuneration Committee are:

- Mr C A Roy | Chair
- Ms S J Corlett
- Mr C D Wilks

Details of Directors' attendance at Remuneration and Nomination Committee meetings are set out in the Directors' Report. The Remuneration and Nomination Committee has its own charter setting out its role and responsibilities, composition, structure, membership requirements and the manner in which the committee is to operate. The Charter is reviewed regularly and is available on the Company's website.

The main responsibilities of the Committee are to assist the Board with respect to remuneration by reviewing and making appropriate recommendations on:

- Remuneration packages of directors and senior executives;
- Employee incentive and equity-based plans, including the appropriateness of performance hurdles and total payments proposed;
- The adoption of policies that attract and maintain talented and motivated directors and employees so as to encourage enhanced performance;
- Addressing succession planning for the Board, CEO/MD and other key personnel;
- Making recommendations to the Board concerning the appointment of new directors and, to the extent delegated to it by the Board, the CEO/MD; and
- Report to the Board on matters relevant to the Committee's role and responsibilities.

Remuneration Policies and Practices

The policies and practices regarding remuneration paid to Directors and senior executives are set out in the Remuneration Report, forming part of the Directors' Report. The Remuneration Report also contains details of remuneration paid to Directors and executive Key Management Personnel (**KMP**). Executive and non-executive directors' fees are clearly separated in the Directors' Report. Where bonuses are paid, details of the reason for the bonus are described. In the event equity awards are to be issued to executive directors, these are required to be pre-approved by shareholders at the AGM.

To align the interests of non-executive directors and senior executives with the long-term interests of shareholders, each non-executive director is required to acquire and hold Company shares equal to 100% of their gross annual directors' fees within five years of appointment. The Company's senior executives are also required to acquire and hold Company shares equal to 100% of annual total fixed remuneration within five years of appointment.

Additional information on performance evaluation and remuneration is provided in the Directors' Report.

The ASX Listing Rules and the Company's Constitution require that the maximum aggregate amount of remuneration to be allocated among the non-executive directors be approved by the shareholders in a general meeting. In proposing the maximum amount for consideration by shareholders and in determining the allocation, the Remuneration and Nomination Committee will take into account the time demands made on Directors, the complexity of the Company's affairs and other relevant factors, including fees paid to non-executive directors in comparable Australian companies.

Securities Trading Policy

The Company has a formal Securities Trading Policy, which places certain prohibitions on the trading of the Company's shares or related securities of the Company. The policy restricts entering into transactions or arrangements, including by way of derivatives or similar financial products, which operate to limit the economic risk of an employees' holdings (including Directors and KMP), including vested and unvested Group Securities granted under an employee incentive plan or as part of their remuneration.

A copy of the Company's Securities Trading Policy is available on the Company's website.