

# FYI RESOURCES LIMITED

(ABN 85 061 289 218)

## CORPORATE GOVERNANCE COMPLIANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2023 CURRENT AT 27 SEPTEMBER 2023

FYI Resources Limited (the Company) and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders.

The disclosure of corporate governance practices can be viewed on the Company website at [www.fyiresources.com.au](http://www.fyiresources.com.au)

The directors are responsible to the 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.

### Corporate Governance Compliance

A description of the Company's main corporate governance practices are set out below. All these practices, unless otherwise stated, have been in place for the financial year ended 30 June 2023. The Company has considered the ASX Corporate Governance Principles and the corresponding Recommendations to determine an appropriate system of control and accountability to best fit its business and operations commensurate with these guidelines.

### Disclosure of Corporate Governance Practices

Principle	Conform	Disclosure
<b>1. Lay Solid Foundations for Management and Oversight</b>		
1.1 A listed entity should disclose: (a) The respective roles and responsibilities of its Board and management; and (b) Those matters expressly reserved for the Board and those delegated to management.	Yes	The Directors are responsible to the 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. The Board has sole responsibility for the following: <ul style="list-style-type: none"> <li>• Appointing and removing the Managing Director and any other executives and approving their remuneration;</li> <li>• Appointing and removing the Company Secretary and Chief Financial Officer and approving their remuneration;</li> <li>• Determining the strategic direction of the Company and measuring performance of management against approved strategies;</li> <li>• Review of the adequacy of resources for management to properly carry out approved strategies and business plans;</li> </ul>

		<ul style="list-style-type: none"> <li>• Adopting operating and capital expenditure budgets at the commencement of each financial year and monitoring the progress by both financial and non-financial key performance indicators;</li> <li>• Monitoring the Company's medium term capital and cash flow requirements;</li> <li>• Approving and monitoring financial and other reporting to regulatory bodies, shareholders and other organisations;</li> <li>• Determining that satisfactory arrangements are in place for auditing the Company's financial affairs;</li> <li>• Review and ratify systems of risk management and internal compliance and control, codes of conduct and compliance with legislative requirements; and</li> <li>• Ensuring that policies and compliance systems consistent with the Company's objectives and best practice are in place and that the Company and its officers act legally, ethically and responsibly on all matters.</li> </ul> <p>Day to day management of the Company's affairs and the implementation of the corporate strategy and policy initiatives are undertaken by the CEO/Managing Director and their performance is monitored and evaluated by the Board.</p> <p>Some Board functions may be handled through Board Committees. These committees are appointed when the size and scale of operations requires. However, the Board as a whole is responsible for determining the extent of powers residing in each Committee and is ultimately responsible for accepting, modifying or rejecting Committee recommendations.</p>
<p>1.2 A listed entity should:</p> <p>(a) Undertake appropriate checks before appointing a person, or putting forward for security holders a candidate for election, as a director ; and</p> <p>(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</p>	Yes	<p>(a) The Company undertakes checks on any person who is being considered as a director. These checks may include good fame and character, experience, education and financial history and background.</p> <p>(b) All material information relevant to a decision on whether or not to elect or re-elect a Director is provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.</p>
<p>1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	Each senior executive and executive Director have a formal employment contract and non-executive Directors have a letter of appointment.
<p>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.</p>	Yes	The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(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; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(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</p> <p>(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.</p> <p>If the entity was in the S&amp;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.</p>	<p>No</p>	<p>The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives if any have been set and the Company's progress in achieving them.</p> <p>The Diversity Policy is available on the Company's website.</p> <p>The measurable gender diversity targets for the Company's workforce and progress towards achieving those objectives are set out in the Annual Report. The Company has not at this point set an objective for a specified proportion of women on the Board or in senior executive roles as, given the small size of the Company and the Board, it may unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit.</p> <p>The respective proportions of females and males on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) for the past financial year is disclosed below:</p> <table border="1" data-bbox="1025 762 1818 906"> <thead> <tr> <th></th> <th>Female</th> <th>Male</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td>25%</td> <td>75%</td> </tr> <tr> <td>Senior executive positions*</td> <td>0%</td> <td>100%</td> </tr> <tr> <td>Whole organisation</td> <td>17%</td> <td>83%</td> </tr> </tbody> </table> <p>* The Senior Executives are the individuals at the highest level of organisational management who have the day-to-day responsibilities of managing the Company below the Board. The Senior Executives include the Company's CEO/Managing Director and CFO.</p>		Female	Male	Board	25%	75%	Senior executive positions*	0%	100%	Whole organisation	17%	83%
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<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process during or in respect of that period.</p>	<p>Yes</p>	<p>The Chairman is responsible for evaluation of the Board and committees as and when considered appropriate. The review is based on the goals for the Board and individual Directors. The goals are based on corporate requirements and any areas for improvement that may be identified. The Chairman will provide each Director with confidential feedback on his or her performance.</p> <p>No formal review was undertaken during the reporting period. Evaluation of the Board is currently carried out on a continuing and informal basis. A formal process will be put in place when the Board considers it is justified by the level of the Company's operations.</p>												

<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process during or in respect of that period.</p>	<p>Yes</p>	<p>The Board is responsible for the evaluation of senior executives. No formal periodic review of senior executives was undertaken during the reporting period with evaluation of management carried out on continuing basis by the Chairman. All directors and senior executives report to the Board as to their area of responsibility at each Board meeting, if required.</p>
<p><b>2. Structure the Board to Add Value</b></p>		
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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</p> <p>(b) 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.</p>	<p>Yes</p>	<p>The charter of the Nomination committee and its members is disclosed on the Company's website and the number formal meetings of the committee set out in the Company's annual report.</p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>Yes</p>	<p>The Board has identified that the appropriate mix of skills and diversity required of its members to operate effectively and efficiently and the Company has disclosed the Board skills matrix on its website. The current Board composition adequately addresses these areas. If and when there is a change in the Company's business and/or level of operations, the Board will reconsider the skills matrix and ensure the Board has members with the appropriate skills and experience. A profile of each Director setting out their skills, experience and expertise is set out in the Directors Report of the 2023 Annual Report.</p>

<p>2.3 A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association 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, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>Yes</p>	<p>The Company currently has the following Board members:</p> <table border="0" data-bbox="1025 256 2072 368"> <tr> <td>Mr Edmund Babington</td> <td>Non-Executive Chairman</td> <td>Appointed 1 July 2014</td> </tr> <tr> <td>Mr Roland Hill</td> <td>Managing Director/CEO</td> <td>Appointed 1 July 2014</td> </tr> <tr> <td>Mr David Sargeant</td> <td>Non-executive Director</td> <td>Appointed 30 November 2009</td> </tr> <tr> <td>Dr Sandy Chong</td> <td>Non-executive Director</td> <td>Appointed 12 August 2021</td> </tr> </table> <p>The Board has assessed the independence status of the directors in terms of the ASX Corporate Governance Council's discussion of independent status and has determined that Dr Chong and Mr Babington and Mr Sargeant are independent directors.</p>	Mr Edmund Babington	Non-Executive Chairman	Appointed 1 July 2014	Mr Roland Hill	Managing Director/CEO	Appointed 1 July 2014	Mr David Sargeant	Non-executive Director	Appointed 30 November 2009	Dr Sandy Chong	Non-executive Director	Appointed 12 August 2021
Mr Edmund Babington	Non-Executive Chairman	Appointed 1 July 2014												
Mr Roland Hill	Managing Director/CEO	Appointed 1 July 2014												
Mr David Sargeant	Non-executive Director	Appointed 30 November 2009												
Dr Sandy Chong	Non-executive Director	Appointed 12 August 2021												
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>Yes</p>	<p>The Company has a majority of independent directors.</p>												
<p>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 of the entity.</p>	<p>Yes</p>	<p>The Company's Chairman, Mr Edmund Babington, is an independent Director.</p> <p>The role of the Chairman and the CEO are not exercised by the same person.</p>												
<p>2.6 A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>Yes</p>	<p>A new director is inducted into the Company's policies and processes on engagement. The Company does not have a formal policy or program for professional development of Directors. Directors are expected to maintain and develop their skills and knowledge needed to perform their role effectively. The Board has determined that individual Directors have the right in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. The engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably. If appropriate, any advice so received will be made available to all Board members.</p>												

<b>3. Act Ethically and Responsibly</b>		
3.1	A listed entity should articulate and disclose its values.	<p>Yes</p> <p>The Company is a mineral exploration company listed on the ASX with a focus on developing and bring into production its high purity alumina project.</p> <p>Our primary objective is to deliver maximum shareholder value through profitable growth and the development of stable and sustainable projects whilst acting lawfully, ethically and responsibly.</p> <p>The Company will pursue operational and commercial excellence by using best practice approaches in our decision-making process focusing on continuous development, accountability and teamwork in all aspects of our business. A key attribute to this approach is maintaining responsible long-term management.</p> <p>In order to achieve these goals, we will ensure our employees and business partners have the appropriate skills and resources to perform their work effectively and efficiently and that all stakeholders (including investors, customers, suppliers and regulators) are aware of the Company's values and our intention to uphold them. We will foster an open and supportive environment in all activities and relationships, and make sure that our senior executives demonstrate and reinforce our values in all aspects of our business and in all interactions with staff.</p> <p>We believe that our pursuit of these goals will cement a positive reputation for the Company in the community as a reliable, responsible and ethical organisation.</p>
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code by a director or senior executive; and</p> <p>(c) any other material breaches of that code that call into question the culture of the organisation.</p>	<p>Yes</p> <p>The Board has adopted a Code of Conduct for Directors, management and employees to promote ethical and responsible decision-making. The Code is disclosed on the Company's website.</p> <p>The code outlines:</p> <ul style="list-style-type: none"> <li>• Responsibilities to shareholders.</li> <li>• Responsibilities to clients, employees, suppliers, creditors, customers and consumers.</li> <li>• Employment practices.</li> <li>• Responsibility to the community.</li> <li>• Responsibility to the individual.</li> <li>• Obligations relative to fair trading and dealing.</li> <li>• Business courtesies and prohibition on bribes, facilitation payments and inducements.</li> <li>• Avoiding and dealing with conflicts of interest.</li> <li>• Confidentiality of information unless that disclosure has been authorised by the Company, or the person from whom the information is provided, or is required by law.</li> </ul>

<p>3.3 A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	<p>Yes</p>	<p>The Company has a Whistleblower policy which is disclosed on the Company's website. The Whistleblower Policy sets out the reporting process to be followed.</p>
<p>3.4 A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p>	<p>Yes</p>	<p>The Company has adopted an anti-bribery and corruption policy which is disclosed on the Company's website. The Company is committed to conducting all of its business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. Its Board, management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards.</p> <p>In particular, the Company is committed to preventing any form of corruption and bribery and to upholding all laws relevant to these issues.</p>
<p><b>4. Safeguard Integrity in Corporate Reporting</b></p>		
<p>4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) 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</p> <p>(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.</p>	<p>Yes</p>	<p>The charter of the Audit and Risk committee and its members is disclosed on the Company's website and the number formal meetings of the committee set out in the Company's annual report.</p>

<p>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 and CFO 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.</p>	<p>Yes</p>	<p>The Board requires and has received an appropriate declaration from the CEO and CFO (or those people fulfilling the roles) before it approves the Company's financial statements for each financial period.</p>
<p>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.</p>	<p>Yes</p>	<p>Where a periodic corporate report is not required to be audited or reviewed by an external auditor, the Company conducts an internal process to confirm the integrity of the report, to ensure that the content of the report is materially accurate, and to provide investors with appropriate information to make informed investment decisions. Appropriate supporting information for such corporate reports are retained on preparation of the report and the Board reviews and agrees the release of such reports. Copies of all market announcements are also required to be circulated to the Board promptly, to ensure the Board has timely oversight of the nature and quality of information being disclosed to the market.</p>
<p><b>5. Make Timely and Balanced Disclosure</b></p>		
<p>5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	<p>Yes</p>	<p>In order to ensure that the Company meets its obligations with regard to the continuous disclosure requirements, the Company has adopted a Continuous Disclosure Policy. The Continuous Disclosure Policy sets out the Company's obligations and its policies and procedures to ensure timely and accurate disclosure of price sensitive information to the market. The policy is disclosed on the Company's website.</p>
<p>5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>Yes</p>	<p>The Company has a procedure to ensure that copies of all market announcements are circulated to the Board promptly after they have been made.</p>
<p>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 Platform ahead of the presentation.</p>	<p>Yes</p>	<p>The Managing Director and Company Secretary ensure that any new and substantive investor or analyst presentations are released to ASX ahead of the presentation.</p>
<p><b>6. Respect the Rights of Security Holders</b></p>		
<p>6.1 A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Yes</p>	<p>Information on the Company and its business activities is set out on the Company's website. This information includes the Company's governance policies.</p>



6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	No	The Company has not established a formal investor relations program. The Company does actively communicate with its Shareholders in order to identify their expectations and promotes Shareholder involvement in the Company.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	The Company has a Shareholder Communications Policy to ensure a regular and timely release of information about the Company to shareholders. Shareholders are encouraged to attend and participate in general meetings.
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.	Yes	As required by the ASX Listing Rules, all resolutions seeking approval under the Listing Rules is decided by a poll. The Chairman will decide any other substantive resolutions by a poll if required to ensure the will of the shareholders voting at a meeting is upheld.
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.	Yes	Shareholders are able to make contact with and receive communications from both the Company and its share registry electronically.
<b>7.</b>	<b>Recognise and Manage Risk</b>		
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) 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</li> </ol> <p>(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.</p>	Yes	The charter of the Audit and Risk committee and its members is disclosed on the Company's website and the number formal meetings of the committee set out in the Company's annual report.

<p>7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>Yes</p>	<p>The identification and review of operational and strategic risks are reviewed on an ongoing basis during regular Board and management meetings. As part of this, material risks are considered including but not limited to strategic, operational, legal, reputational and financial risks. This is an ongoing process rather than an annual formal review.</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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 risk management and internal control processes.</p>	<p>No</p>	<p>The Company does not have an internal audit function. All functions, roles and responsibilities with regard to risk oversight and management and internal control are undertaken by the Board and management.</p>
<p>7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Yes</p>	<p>The Board determines whether the Company has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Board is of the view that that the Company's operations do not currently create material exposure to economic, environmental and social sustainability risks.</p>

8. Remunerate Fairly and Responsibly		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) 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</li> </ol> <p>(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.</p>	Yes	<p>The charter of the Remuneration committee and its members is disclosed on the Company's website and the number formal meetings of the committee set out in the Company's annual report.</p>
<p>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.</p>	Yes	<p>The Company provides disclosure of all Director and executive remuneration in its Annual Report.</p> <p>Non-executive directors are remunerated at a fixed fee for time, commitment and responsibilities. There are no agreements providing for termination or retirement benefits to non-executive directors (other than for superannuation).</p> <p>Executive directors and senior executives are offered a competitive level of base pay at market rates and are reviewed periodically to ensure market competitiveness. Long term performance incentives may include performance and production bonus payments, shares options granted at the discretion of the Board and subject to obtaining the relevant approvals.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>	No	<p>The Company has not established a policy on this matter. The Company's current option plan only provides for the issue of unlisted options and performance rights to eligible participants.</p> <p>Key management personnel are required to comply with the Company's Securities Trading Policy.</p>