

Introduction

This statement outlines the Corporate Governance Practices adopted by the Board of Directors for the financial year ended 31 December 2023 and describes how Centaurus Metals Limited (the Company) addresses the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th Edition. This statement is current as at 29 April 2024 and has been approved by the Board.

In addition to the information contained in this statement, the Company's website at www.centaurus.com.au has a dedicated corporate governance section which includes copies of key corporate governance policies adopted by it.

Where the Company's corporate governance practices do not correlate with the ASX Principles and Recommendations, it is because the Board does not consider it practical to implement those recommendations due to the size and stage of development of the Company's operations. The Board's reasoning for any departure is explained. As the Company's activities develop in size, nature and scope the implementation of additional corporate governance structures will be given further consideration.

1 Principle 1: Lay solid foundations for management and oversight

A listed entity should clearly delineate the respective roles and responsibilities of its Board and management and regularly review their performance.

1.1 A listed entity should have and disclose a board charter setting out:

- a) the respective roles and responsibilities of its board and management; and***
- b) those matters expressly reserved to the board and those delegated to management.***

The primary responsibility of the Board is to represent and advance shareholders' interests and to protect the interests of all stakeholders. To fulfill this role the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The responsibilities of the Board include:

- approving the Company's strategy, business plans and policies;
- approving and monitoring the progress of major capital expenditure, capital management and capital raising initiatives, and acquisitions and divestments;
- monitoring the Company's performance in delivering its strategic plans;
- monitoring financial performance and approving the annual and half-year financial reports;
- appointing, re-appointing or removing the Company's external auditors;
- approving the Company's system of corporate governance, including formation of Board Committees and the terms of applicable governing charters, and monitoring their effectiveness;
- determining the size, composition and structure of the Board, and processes for evaluating its performance;
- approving the overall remuneration policy, including remuneration for non-executive Directors, executive Directors and senior executives;
- appointment, performance assessment, determining remuneration and, if necessary, removal of the Managing Director;
- approving and reviewing senior management succession plans and significant changes to the organisational structure;

- reviewing, approving and monitoring the Company's risk management systems; and
- enhancing and protecting the reputation of the organisation.

The Board has established functions that are reserved for the Board, as separate from those functions discharged by the Managing Director and senior executives. These functions are summarised in the Company's Board Charter which is available on the Company's website at www.centaurus.com.au/corporate-governance

1.2 A listed entity should:

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

The Board oversees arrangements for the effective appointment of new Directors. When considering the appointment of a new Director, the Board may engage the services of an independent recruitment consultant to assist to identify suitable candidates to be shortlisted for consideration for appointment to the Board and to carry out appropriate reference checks before the Board makes an offer to a preferred candidate.

Newly appointed directors must stand for reappointment at the next subsequent AGM. The Notice of Meeting for the AGM provides shareholders with information about each Director standing for election or re-election including details of relevant skills and experience.

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

New Directors consent to act as a director and receive a formal letter of appointment which sets out duties and responsibilities, rights, and remuneration entitlements.

Each Executive is employed under a Service Agreement which sets out the terms on which the Executive is employed including details of the Executive's duties and responsibilities, rights, and remuneration entitlements. The Service Agreement also sets out the circumstances in which the employment of the Executive may be terminated by either the Company or the Executive, including details of the notice periods required to be given by either party, or the amounts payable to the Executive as a consequence of the termination by the Company of the Executive's employment.

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

The Company's Secretary has a direct reporting line and is accountable to the Chair of the Board on all matters to do with the proper functioning of the Board.

1.5 A listed entity should:

- a) have and disclose a diversity policy;**
- b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and**
- c) disclose in relation to each reporting period:**
 - i) the measurable objectives set for that period to achieve gender diversity;**
 - ii) the entity's progress towards achieving those objectives;**
 - and**
 - iii) either:**
 - A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or**
 - B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.**
 - C) If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.**

The Company's Diversity Policy is set out on the Company's website www.centaurus.com.au/corporate-governance.

The Company is committed to diversity and recognises the benefits arising from employee and board diversity and strives to provide the best possible opportunities for current and prospective employees of all backgrounds in a manner that best adds to overall shareholder value and which reflects the values, principles and spirit of the Company's Diversity Policy.

Given the size of the Company and the remote location of the Company's mineral projects the Directors do not consider it appropriate to set measurable objectives in relation to diversity. Nonetheless, the Company has made significant progress in improving gender diversity within the business by improving the composition of the Board and by increasing the gender diversity within the senior management team. Management positions no more than 2 levels below the Managing Director are considered senior management roles.

At the end of the 2023 financial year, the Company had a total of 123 part and full-time employees, including 32 female employees. The Company has 1 female on the Board (2022: 1) and five females in management positions (2022: 4).

1.6 A listed entity should:

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

The Company's Board Charter sets out the process to undertake an annual performance evaluation of the Board which includes comparing the performance of the Board with the requirements of its Charter.

The Board commenced a formal annual performance evaluation process for the Board, its individual directors and the Company Secretary early in 2023 with the evaluations covering calendar years.

1.7 A listed entity should:

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

Evaluation of the performance of senior executives was carried out as part of the 2023 performance and remuneration review process. Performance was measured against objectives set under the short and long term incentive plans set for the year.

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

The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.

2.1 The board of a listed entity should:

- a) have a nomination committee which:**
 - i) has at least three members, a majority of whom are independent directors; and**
 - ii) is chaired by an independent director,**

and disclose:

 - iii) the charter of the committee;**
 - iv) the members of the committee; and**
 - v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- b) if it does not have a 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.**

Given the Company's current size and the complexity of its affairs, it is not considered presently necessary to have a separate Nomination Committee. The Board as a whole will identify candidates and assess their skills in deciding whether an individual has the potential to add value to the Company. The Board may also seek independent advice to assist with the identification process.

In selecting and appointing new Directors the Board undertakes a proper assessment of prospective Directors which includes, but is not limited to, their relevant experience and achievements, compatibility with other Board members, credibility within the Company's scope of activities, and intellectual and physical ability to undertake Board duties and responsibilities.

2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.

As a collective, the Board has a significant competency and experience set relevant to the current and future oversight of the Company's business. The table shows the skills and experience currently represented on the Board. The skills, experience and expertise of each director is set out in the Directors' Report in the Annual Report.

International business exposure	✓ Global political, cultural, regulatory, legal & commercial ✓ Brazil
Environment Social & Governance	✓ ASX compliance ✓ Approvals ✓ Environment ✓ Risk assessment ✓ Governance & internal control ✓ Health & safety ✓ Regulatory/government
Financial	✓ Accounting, audit & financial reporting ✓ Equity capital markets ✓ Project financing & debt ✓ Takeover response ✓ Treasury & funds management
Industry exposure	✓ Mining, including nickel, iron ore, base and precious metals
Legal & commercial	✓ Commercial and contracts ✓ Legal ✓ Negotiation
Project development	✓ Engineering & construction ✓ Transition to operations ✓ Project financing
Sales & marketing	✓ Mineral commodity sales & marketing ✓ Nickel sales & marketing
Stakeholder management & communications	✓ Public relations/media ✓ Stakeholder relations ✓ Investor relations
Technical	✓ Exploration ✓ Geology ✓ Nickel mining ✓ Engineering ✓ Mineral processing, including hydrometallurgy

2.3 A listed entity should disclose:

- a) the names of the directors considered by the board to be independent directors;**
- b) if a director has an interest, position or relationship of the type described below (Factors relevant to assessing the independence of a director) but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and**
- c) the length of service of each director.**

<i>Examples of interests, positions and relationships that might raise issues about the independence of a director of an entity include if the director:</i>
<ul style="list-style-type: none"> • <i>is, or has been, employed in an executive capacity by the entity or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the board;</i>
<ul style="list-style-type: none"> • <i>receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity;</i>
<ul style="list-style-type: none"> • <i>is, or has been within the last three years, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;</i>
<ul style="list-style-type: none"> • <i>is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;</i>
<ul style="list-style-type: none"> • <i>has close personal ties with any person who falls within any of the categories described above; or</i>
<ul style="list-style-type: none"> • <i>has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised. In each case, the materiality of the interest, position or relationship needs to be assessed by the board to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party</i>

Details of the Board of Directors as at the date of this statement, their appointment date and independence status is as follows:

Director	Appointment Date	Status
Didier Murcia	16/04/09	Independent Non-Executive Chair
Darren Gordon	04/05/09	Non-Independent Managing Director
Mark Hancock	23/09/11	Independent Non-Executive Director – Audit & Risk Committee Chair
Bruno Scarpelli	03/09/15	Non-Independent Executive Director
Chris Banasik	28/02/19	Independent Non-Executive Director - Remuneration Committee Chair
Natalia Streltsova	15/08/22	Independent Non-Executive Director – Technical Committee Chair

The Board has considered the factors relevant to assessing the independence of Directors. The Board has determined that Mr Murcia, Mr Hancock, Mr Banasik and Dr Streltsova are independent Directors as they are not members of management and there is no relationship affecting that status. They are not substantial shareholders, past or present employees, or material professional advisers, consultants, suppliers or customers with or to the Company, nor do they have any material contractual relationship with the Company other than as Directors. They do not receive performance-based remuneration (including options or performance rights) and they do not presently participate in the Company's Employee Share Incentive Plan.

MPH Lawyers, of whom Mr Murcia is Chair, provide legal services to the Company. Vintage94 Pty Ltd a related party of Dr Streltsova provides technical consulting services to the Company. The Board is satisfied that there is an arm's length relationship between the Company and MPH Lawyers and the Company and Vintage94 Pty Ltd, that the services provided by MPH Lawyers and Vintage94 Pty Ltd and the expenditure in relation to those services is not material and are further satisfied that the relationships with MPH Lawyers and Vintage94 Pty Ltd does not compromise independence.

Whilst Mr Murcia and Mr Hancock have tenure of more than 15 and 12 years respectively as a Director, the Board are satisfied that their independence from management and substantial holders remains uncompromised. The Board considers that the experience and skills of both Mr Murcia and Mr Hancock will continue to provide the level of support necessary to meet the significant demands which will be placed on the Board as the Company progresses development of its projects. The Board notes that during their tenure, Mr Murcia and Mr Hancock have gained significant exposure to the business and regulatory environment in Brazil which the Board considers will be critical in supporting the future objective of the Company. The Board notes that by its nature the development of both business relationships and the knowledge of regulatory and commercial processes in a foreign jurisdiction require a significant period to develop. The Board also notes that both Mr Murcia and Mr Hancock have recent relevant exposure to the development of greenfields mining projects and to related debt and equity funding processes. The Board considers both Mr Murcia and Mr Hancock to be independent Directors.

Interests of Directors are disclosed as a standing agenda item at each Board meeting. The Board will review the independence of each Director in light of interests disclosed to the Board from time to time.

The Board has determined that Mr Gordon who is the Managing Director and Mr Scarpelli who is an Executive Director are not independent.

2.4 A majority of the Board of a listed entity should be independent directors

At the date of this statement and during the calendar year ended 31/12/23 the Board consisted of a majority of independent directors. The composition of the Board is presently six Directors, four of whom are Non-Executive and two who are Executive Directors. Of the six Directors, four are independent and two are non-independent.

The Board considers that the composition of the existing Board is appropriate given the present scope and size of the Company's operations and the skills and experience of the existing Board members. Appropriate mechanisms are in place to avoid perceived or actual conflicts of interest.

2.5 The Chair of the Board of a listed entity should be an independent director and should not be the same person as the Managing Director

The role of the Chair is undertaken by Mr Didier Murcia, an independent Non-Executive Director. The role of the Managing Director is undertaken by Mr Darren Gordon.

2.6 A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

The Company's Board Charter sets out the induction procedure for new directors. Directors are assisted by fellow directors and senior management to maintain and develop their skills and knowledge in relation to corporate governance policies and the business sectors in which the company operates. All Directors have direct access to the entire senior management team, including the company secretary, and are provided with information on a timely basis.

The skills and knowledge of non-executive Directors is also developed and maintained by their directorships with other public and private companies.

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

A listed entity should instill and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly

3.1 A listed entity should articulate and disclose its values.

The Company's core values are shown below and are displayed on the Company's website.

Integrity	Commitment	Care	Teamwork
We are honest and accountable in everything we do	We are committed to excellence through focus, creativity, courage and hard work	We care for the environment, each other and our communities	We are stronger when we work collaboratively to help each other

3.2 A listed entity should have and disclose a code of conduct for its directors, senior executives and employees; and ensure that the board or a committee of the board is informed of any material breaches of that code.

The Company has established a formal Code of Conduct to guide Directors, the Managing Director and employees with respect to the practices necessary to maintain confidence in the Company's integrity, the practices necessary to take into account legal obligations and reasonable expectations of stakeholders, and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. The Code of Conduct is disclosed on the Company's website at www.centaurus.com.au/corporate-governance. Any breaches of the code are reported to the Board.

3.3 A listed entity should have and disclose a whistleblower policy and ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

The Company has established a Whistleblower Policy intended to support and protect persons who speak up about any unlawful, unethical or irresponsible behaviour within the organisation. The Board are informed of material incidents reported under the Company's Whistleblower Policy.

The Whistleblower Policy includes the following key provisions;

- identifies the types of concerns that may be reported under the policy and how and to whom reports may be made (including to senior executives and the board);
- explains how the confidentiality of the whistleblower's identity is protected and how the whistleblower is safeguarded from retaliation; and
- describes the processes to investigate reports made by whistleblowers;

The Company has also established an Anti-Bribery and Corruption Policy. The Whistleblower Policy and the Anti-Bribery and Corruption Policy are disclosed on the Company's website at www.centaurus.com.au/corporate-governance.

3.4 *A listed entity should have and disclose an anti-bribery and corruption policy and ensure that the board or a committee of the board is informed of any material breaches of that policy*

The Company has established an Anti-Bribery and Corruption Policy which links to the Code of Conduct by which the Company expects its operations and business dealings to be managed. The Anti-Bribery and Corruption Policy prohibits the giving of bribes or other improper payments and specifies the controls around the giving of donations and the acceptance of gifts or hospitality by officers of the Company. The Board is informed of any material breaches of the Anti-Bribery and Corruption Policy.

The Anti-Bribery and Corruption Policy is disclosed on the Company's website at www.centaurus.com.au/corporate-governance.

4 Principle 4: Safeguard integrity of corporate reports

A listed entity should have appropriate processes to verify the integrity of its corporate reports.

4.1 The board of a listed entity should:

- a) *have an audit committee which:*
 - i) *has at least three members, all of whom are nonexecutive directors and a majority of whom are independent directors; and*
 - ii) *is chaired by an independent director, who is not the chair of the board,*
and disclose:
 - iii) *the charter of the committee;*
 - iv) *the relevant qualifications and experience of the members of the committee; and*
 - v) *in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- b) *if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.*

The Audit & Risk Committee is comprised of 3 non-executive Directors each of whom are considered to be independent. The functions of the Audit & Risk Committee are detailed in the Audit & Risk Committee Charter and include reviewing the appointment and removal of the external auditor and the rotation of the audit engagement partner and reviewing the annual and half yearly financial reports and the conduct and outcomes of external audits and reviews.

The Audit & Risk Committee is comprised of the following independent non-executive directors

- Mr Mark Hancock (Chair);
- Mr Didier Murcia; and;
- Mr Chris Banasik.

The Audit & Risk Committee Charter is available on the Company's website at www.centaurus.com.au/corporate-governance.

The Committee members, their qualifications and the number of meetings of the Audit and Risk Committee, including attendance by Committee members, can be found in the Annual Report.

The Committee meets on a regular basis and discusses matters normally captured under the terms of reference of an audit committee, being company risk, controls and general and specific financial matters.

- ##### **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.**

Both the Managing Director and the Chief Financial Officer make a statement to the Board prior to approval of the annual and half-yearly reports, that in their opinion, the financial records of the Company 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 Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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

The Company has an effective system of internal control and multiple review and approval stages which it applies to public documents that are not reviewed or audited by its external auditor.

5 Principle 5: Make timely and balanced disclosure

A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

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

The Company has established a Continuous Disclosure Policy designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance.

The Company's Continuous Disclosure Policy is publicly available on the Company's website located at www.centaurus.com.au/corporate-governance.

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

The Company ensures that Directors are provided with a copy of all material market releases promptly after lodgment.

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.

All new and substantive investor or analyst presentations are released to the ASX Market Announcements Platform ahead of the presentation.

6 Principle 6: Respect the rights of security holders

A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.

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

The Company's website at www.centaurus.com.au provides detailed information on the Company, including its background, objectives, projects, contact details and all key corporate policies and statements. ASX announcements, Company Reports and presentations are uploaded to the website following release to the ASX.

6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Company respects the rights of its shareholders and stakeholders and seeks to facilitate the effective exercise of those rights by promoting effective proactive communication and encouraging shareholder participation at Shareholder meetings. Shareholder feedback through the Company's website and third party sites provide the opportunity to address questions to the Company. Appropriate measures are also taken to keep shareholders informed about the Company's activities and to listen to issues or concerns raised by shareholders.

Fundamental to the Company's investor relations program is the management of its continuous disclosure obligations which facilitates all shareholders having access to important Company information. In addition to lodging this information with the ASX, the Company uses its website, Twitter feeds and LinkedIn posts to make available to shareholders and other stakeholders information about the Company and its activities.

Shareholders can register with the Company to receive e-mail notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is posted. Shareholders and other stakeholders can follow the Company on Twitter @CentaurusMetals or LinkedIn at Centaurus Metals.

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

Notices of meeting sent to the Company's shareholders comply with the "Guidelines for Notices of Meeting" issued by the ASX in July 2014. Notices of Meetings are provided to Shareholders within the timing requirements of the ASX Listing Rules and the Corporations Act to ensure that Shareholders have sufficient time to consider the business of the meeting and to make arrangements to attend and vote either in person or through the nomination of a proxy. Shareholders are provided with instructions on how to nominate their communication preferences via the Company's registry manager whose website offers a facility to lodge proxy forms online. Shareholders are provided with an opportunity to send questions to the Company ahead of the meeting date.

In accordance with Section 110D(1)(d) of the Corporations Amendment (Meetings and Documents) Act 2002, the Company provides all shareholders with a notice indicating how they can obtain the Notice of Meeting and accompanying Explanatory Statement (Meeting Materials), how they may vote by attending in person or by proxy and the process for obtaining, completing and lodging proxy forms.

The Chair also encourages shareholders at the meeting to ask questions and make comments about the Company's operations. The Company offers shareholders the opportunity to ask questions related to the business of shareholder meetings prior to the meeting. The Chair may respond directly to questions or may refer a question to another Director, the Managing Director or a senior executive. The Board and Senior Management of the Company also make themselves available post the conclusion of the formal business of any Shareholder meeting for further discussion with Shareholders.

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.*

The Company's has adopted the processes required by ASX Guidance Note 35 which stipulate that all Listing Rule resolutions be decided by a poll. The Company has extended the conduct of a poll to all resolutions proposed at shareholder meetings.

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

Shareholders have the option of electing to receive all shareholder communications by e-mail. The Company provides a printed copy of the Annual Report to those shareholders who have specifically elected to receive a printed copy.

All announcements made to the ASX are available to shareholders by e-mail notification when a shareholder provides the Company with an e-mail address and elects to be notified of all the Company ASX announcements. Market sensitive announcements are all posted on Twitter and LinkedIn.

The Company share register is managed and maintained by Automic Group. Shareholders can access their shareholding details or make enquiries about their current shareholding via the Automic Share Registry investor centre at www.investor.automic.com.au. They may also change their communication preferences at any time through the Automic Share Registry investor centre.

7 Principle 7: Recognise and manage risk

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

7.1 The board of a listed entity should:

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

The Board has an Audit & Risk Committee which amongst other functions is tasked with the oversight of risk management practices and policies and their application within the Company. The Audit & Risk Committee is responsible for overseeing and approving policies for the management and oversight of material business risks, internal compliance and internal controls. The objectives of the Company's risk management program are contained in the Risk Management Policy which is available on the Company's website at www.centaurus.com.au/corporate-governance.

The Committee members, their qualifications and the number of meetings of the Audit and Risk Committee, including attendance by Committee members, can be found in the Annual Report.

The Company has a Technical Committee to, amongst other things, assist with the oversight of the management of technical risk associated with the development of the Jaguar Project.

In addition to the risk management oversight provided by the Company has in place a system of risk management that identifies, categorises and manages material business risks faced by the Company.

The Board recognises that no cost-effective internal control system will preclude all errors and irregularities. The Audit & Risk Committee reviews the business and financial risk management systems and internal control systems implemented by management to obtain reasonable assurance that the entity's assets are safeguarded and that the reliability and integrity of its financial information is maintained.

7.2 The board or a committee of the board should:

- a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and***
- b) disclose, in relation to each reporting period, whether such a review has taken place.***

Components of the Company's risk management framework were considered as part of the business of the Audit & Risk Committee during 2023.

7.3 A listed entity should disclose:

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

The Company does not have an internal audit function due to its size and stage of development of its operations. The Board believes that the establishment of the Audit & Risk Committee, the conduct of external financial audits and the Board's and management's regular reviews of risk management and internal control processes are sufficient for the present size of the Company.

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

The Company has exposure to the following risks:

- Environmental risks – at the present stage of exploration and evaluation the Company is exposed to few environmental risks. The Company has an Environmental Policy and an active Risk/Hazard identification program at its operating sites.
- Social risks – also at this present stage of exploration and evaluation the Company is exposed to few social and sustainability risks. The Company maintains close awareness of its social responsibilities and to this end in Brazil, it maintains regular personal contact between the Company personnel and representatives of the local community and regional administration. The Company uses these contact sessions to manage local expectations of employment and community development in particular. The Company has a Social Relations team based in the local community to assist with the important work of Community and Social engagement. The Company engages with local communities as required under Brazilian consultative processes in respect of public interest aspects of its projects.
- The Audit & Risk Committee oversaw the development of an ESG Framework which was approved by the Board in 2021. The ESG Framework has been developed to align with the Towards Sustainable Mining (TSM) Principles; and the Principles of Responsible Investment (PRI). The Framework will assist the Company in identifying and managing ESG Risks and will enable the development of a program to report key ESG actions and targets. The Company released its inaugural sustainability report on 25 May 2023 and now prepares an sustainability report on an annual basis.

8 Principle 8: Remunerate fairly and responsibly

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

8.1 The board of a listed entity should:

a) have a remuneration committee which:

- i) has at least three members, a majority of whom are independent directors; and**
- ii) is chaired by an independent director,**

and disclose:

- iii) the charter of the committee;**
- iv) the members of the committee; and**
- v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**

b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board has a Remuneration Committee. The functions of the Remuneration Committee are detailed in the Remuneration Committee Charter and include

- reviewing and recommending an executive remuneration policy for KMP;
- reviewing and monitoring the ongoing appropriateness and relevance of the remuneration policy;
- engaging independent advisors to review the Company's remuneration policies including long term and short term incentive plans;
- making recommendations to the Board in relation to the Company's policies and practices relating to recruitment, training, retention and promotion; and
- monitor and make recommendations to the Board in respect of the design and implementation of incentive plans.

The Remuneration Committee Charter is available on the Company's website at www.centaurus.com.au/corporate-governance.

The Committee members, their qualifications and the number of meetings of the Committee, including attendance by Committee members, can be found in the Annual Report. All three members of the Remuneration Committee are independent Non-Executive Directors.

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.

The Company's remuneration structure distinguishes between Non-Executive Directors and that of the Managing Director and senior executives.

A Remuneration Report required under Section 300A(1) of the Corporations Act is provided in the Directors' Report within the Company's Annual Report.

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

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

In accordance with the Company's Share Trading Policy which is available on the Company's website at www.centaurus.com.au/corporate-governance all participants in equity-based incentive plans are prohibited from entering into transactions which limit the risk of participating in unvested entitlements in the Company shares.