

QMINES LIMITED
ZERO CARBON CRITICAL METALS



2023 Corporate Governance Statement

QMiner Limited ACN 643 212 104

Adopted by the Board on 29th September 2023

CORPORATE GOVERNANCE STATEMENT

1. Introduction

Effective corporate governance is critical for the long-term success of QMines Limited (**QMines or Company**). The board of the Company (**Board**) is committed to maintaining and enhancing a strong corporate governance framework for the Company and is responsible for the overall corporate governance of QMines.

The Board monitors the operational and financial position, and overall performance of QMines and oversees its business strategy, including approving its strategic goals. The Board is committed to maximising performance, generating shareholder value and financial returns over the medium to longer term, and sustaining the growth and success of the Company.

With these objectives in mind, the Board seeks to ensure that QMines is properly managed and ensures the Company, its directors (**Directors**), officers and employees operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company's affairs, including adopting relevant internal controls, risk management processes, and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

2. ASX Corporate Governance Principles and Recommendations

The ASX Corporate Governance Council has developed and released its fourth edition of the corporate governance recommendations for Australian listed entities (**ASX Recommendations**) in order to promote investor confidence and to assist companies to meet stakeholder expectations. The recommendations are not prescriptions, but guidelines. However, under the Listing Rules, QMines is required to provide an annual Corporate Governance Statement disclosing the extent to which it has followed the ASX Recommendations in the relevant reporting period. Where QMines does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not following it. The Company must also disclose what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

The Company's current departures from the ASX Recommendations are included in Section 9 below.

The key aspects of the Company's corporate governance practices are summarised below. These charters and policies are available on the Company's website at <https://qmines.com.au/corporate-governance/>.

3. Board Charter

The Board Charter sets out the respective roles and responsibilities of the Board and management, including matters expressly reserved to the Board and those delegated to management.

It provides that the Board should comprise Directors with the appropriate mix of skills, experience, expertise and diversity which are relevant to the Company's businesses and the Board's responsibilities. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board retains ultimate accountability to Shareholders in discharging its duties.

4. Board of Directors

The QMines Board is comprised of four directors, three of whom are independent:

Mr. Simon Kidston (B.Com)

Independent Non-Executive Chairman

Appointed: 1 February 2023

Mr. Kidston has an investment banking background with almost 30 years' global experience with groups such as Macquarie Bank and HSBC. Recently, has been a Director and Co-Founder of Genex Power Limited (ASX:GNX), a Non-executive Director of Lithium Plus Minerals (ASX:LPM), Non-executive Director of QC Copper & Gold Inc (TSXV:QCCU) and Chairman of Permagen, a premium private carbon credit developer. He has a Bachelor of Commerce degree from Griffith University, a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia and is a Member of the Australian Institute of Company Directors.

Mr. Andrew Sparke (B. Bus (Marketing), M.Fin, GAICD)

Managing Director

Appointed: 26 April 2017

Mr. Sparke has over 20 years' experience that includes managing IPO's, private placements, secondary market transactions, and listed company compliance. Mr. Sparke is the founder of Olive Capital, an Australian boutique investment house that has advised numerous ASX listed companies on capital raising and corporate transactions.

Between January 2014 and December 2018, Mr. Sparke was a Director of Lanstead Investors, a UK based investment fund. Under his guidance, the fund invested in a large number of ASX listed resource companies, generating a strong return for its founders.

Mr. Sparke was formerly a Director of Alt Resources Ltd (ASX:ARS), a gold explorer which successfully grew its resource six times in two years before being taken over by a private equity group in September 2020 and a non-executive director of Tillegrah Limited

Mr. Sparke holds a Bachelor of Business (Marketing) and a Masters in Finance and is a Graduate Member of the Australian Institute of Company Directors (GAICD).

Ms. Elissa Hansen (B.Com, Grad. Dip. Applied Corporate Governance, GAICD, FGIA)

Independent Non-executive Director

Appointed: 28 August 2020

Ms. Hansen is a chartered secretary with over 20 years' experience as a company secretary and corporate governance professional. She has worked with boards and management of a range of ASX listed companies including assisting companies through the IPO process. Elissa is a Chartered Secretary who brings best practice governance advice, ensuring compliance with the Listing Rules, Corporations Act and other relevant legislation.

Ms. Hansen is currently a director of Zoono Group Limited (ASX:ZNO) and Aeeris limited (ASX:AER).

Ms. Hansen is a Fellow of the Governance Institute of Australia and Graduate Member of the Australian Institute of Company Directors. She holds a Bachelor of Commerce and a Graduate Diploma in Applied Corporate Governance.

Ms. Hansen is Chair of the Audit and Risk Committee.

Mr. Peter Caristo (B.Sc (Geology), MBA)
Independent Non-executive Director
Appointed: 14 September 2021

Mr. Caristo is an experienced exploration geologist, with over 25 years experience in the mineral exploration industry. He has held senior positions in Newcrest Mining (ASX:NCM), OceanaGold (ASX:OGC) and Mining Associates. His expertise covers project generation, drill targeting, geological mapping, exploration project management, technical due diligence, and data management, specialising in gold.

Mr. Caristo is the current Chair of the Queensland Branch of the Australian Institute of Geoscientists.

Mr. Caristo is a member of the Audit and Risk Committee.

Independence

The Board considers an independent Director to be a Non-Executive Director who is free of any interest, position, or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement on issues before the Board and to act in the best interests of QMines and its shareholders. The Board considers the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board considers whether there are any factors or considerations which may mean that a Director's interest, position, association or relationship might influence, or reasonably be perceived to influence, the capacity of the Director to bring an independent judgement to bear on issues before the Board and to act in the best interests of QMines and its shareholders generally.

The Board considers that Simon Kidston, Elissa Hansen and Peter Caristo are free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

Andrew Sparke is currently considered by the Board not to be independent on the basis that he is the Managing Director of QMines and has an interest in 28,027,650 shares in the Company.

The Board currently consists of a majority of independent Directors.

Director Appointment, election and re-election

The Company undertakes appropriate checks before appointing and/or putting forward any person as a candidate for election as a Director and will provide security holders with all material information in its possession relevant to the election (or re-election) of each Director.

The Company has a written agreement with each Director setting out the terms of their appointment. The Company also has a written agreement with each senior executive setting out the terms of their appointment.

Under QMines' Constitution, with the exception of the Managing Director, Directors may not hold office without election beyond their third Annual General Meeting (AGM) following their election or most recent re-election. Any director appointed to fill a casual vacancy since the previous AGM, must submit themselves for election at the next AGM.

Role and Responsibilities of the Board

The Board's role is to act in the best interests of the Company as a whole and is accountable to shareholders for the overall direction, management and corporate governance of the Company and the Group.

The Board Charter sets out the Board's role and responsibilities and describes those matters expressly reserved for the Board and those matters delegated to management (principally the Executive Chairman and General Manager).

The Executive Chairman and General Manager are responsible for the day-to-day management of the Company, supported by other senior management. However, the ultimate responsibility for governance and strategy resides with the Board.

Structure and Composition of the Board

QMiners is committed to ensuring the composition of the Board includes Directors who bring the appropriate mix of skills, experience, expertise and diversity to Board decision making. It considers that having a diversity of skills background, knowledge and gender are important to effectively govern the Company.

The Board considers that its Directors and Senior Management have the necessary skills and experience to discharge their responsibilities.

Director skills/experience matrix during the period:

Skill/Experience	Board
Total Number of Directors	4
Financial Acumen Experience in financial accounting and reporting, corporate finance and internal financial controls	4
Commercial Capability Broad range of commercial skills and experience including undertaking corporate transactions	3
Strategy Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities	4
Resources Industry Knowledge and experience in the resources industry	3
Risk Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks and systems	4
Investor Relations Understanding of investor relations and the steps required to develop long-term value for shareholders	3
Regulatory Compliance Understanding of the regulatory environment and steps required to ensure compliance with relevant laws, policies and regulations	3

In addition to the skills and experience set out above, the Board considers that each Director has the ability to:

- Act with honesty and integrity
- Focus on the material issues
- Think strategically and take an organisation-wide perspective
- Understand the external environment and deal with pressure from external sources
- Influence effectively at the board table
- Respect alternative viewpoints
- Hold management accountable

Board Performance Evaluation

QMiner is committed to transparency in determining Board membership and in assessing the performance of the Board, Board Committees and individual Directors.

The Board conducts regular evaluations of its performance, the performance of its Committees, the Chairman and individual Directors. This includes assessment, review and analysis of how the Board, Committees and Directors function, time spent considering matters and whether the Board and the Committees have complied with their respective Charters. In its evaluations, the balance of skills, experience, independence and knowledge will all be taken into consideration as well as how the Board works together as a unit.

An evaluation was not completed this year.

Professional Development

The Board regularly reviews whether the Directors have the skills, knowledge and familiarity with the entity and its operating environment required to fulfil their role on the Board and its Committees effectively and, where gaps are identified, consider what training or development could be undertaken to fulfil those gaps.

Remuneration

QMiner does not have a formal Remuneration Committee at this time. The full board oversees the fixing of remuneration for the Directors and the General Manager and ensures such remuneration is appropriate and not excessive. While the General Manager is directly responsible for setting the remuneration of other members of the team, the Board reviews the recommendations and provides advice to the General Manager on these issues.

Given the size of the Company's management team, the Board believes this is an appropriate way to deal with this aspect of the Company's governance at this time.

Nomination

QMiner does not have a nomination committee. The Board as a whole is responsible for Board succession issues and to ensure the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to discharge its duties and responsibilities effectively.

Given the size of the Company's Board, the Board believes this is an appropriate way to deal with this aspect of the Company's governance at this time.

Induction

The Board provides an induction program to all new Directors.

5. Board Committees

To assist the Board in discharging its duties efficiently and effectively, it has established an Audit and Risk Committee (and will establish a Remuneration Committee when appropriate for the Company). Each Committee operates within its Board approved Charter which sets out the roles, responsibilities, membership requirements and meeting procedures for each committee.

Each established committee will meet as required and no less than twice a year.

Audit and Risk Committee

The role of the Audit and Risk Management Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's financial reporting, internal control structure, risk management systems and internal and external audit functions. This includes confirming the quality and reliability of the financial information prepared by the Company, working with the external auditor on behalf of the Board and reviewing non-audit services provided by the external auditor to confirm they are consistent with maintaining external audit independence.

The Audit and Risk Management Committee provides advice to the Board and reports on the status and management of the risks to the Company. The purpose of the Committee's risk management process is to assist the Board in relation to risk management policies, procedures and systems and ensure that risks are identified, assessed and appropriately managed.

The Company does not comply with the recommendations set by the ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee has only two members, both of which are independent. The Committee is chaired by an independent director who is not the chairman of the Board. The Committee comprises Elissa Hansen (Chair) and Peter Caristo.

The Audit and Risk Committee Charter is available at <https://qmines.com.au/corporate-governance/>.

The Board reviews the Company's risk management framework at least annually and undertook a review this year.

Remuneration Committee

The Board intends to establish a Remuneration Committee when appropriate for the Company and has adopted a Remuneration Committee Charter in anticipation of forming the committee. Until it establishes a Remuneration Committee, the full Board is responsible for overseeing the Company's remuneration practices. This includes reviewing remuneration packages and policies related to Directors and senior executives. It is also responsible for administering short term and long-term incentive plans (including equity plans).

Given the size of the Company's management team, it believes this is appropriate at this time. A copy of the Remuneration Committee Charter is available at <https://qmines.com.au/corporate-governance/>.

Information on the remuneration of the Directors and senior executives is provided in the Company's Remuneration Report found in the Company's Annual report and available at <https://qmines.com.au/announcements/>.

QMiner grants performance incentives to employees as part of their remuneration under the Employee Securities Incentive Plan. In accordance with the Employee Securities Plan Rules, the Offer to employees restricts dealings with employee securities except with prior written consent from the Board. Details of any performance incentives issued are announced on the ASX platform and detailed in the Company's Annual Report.

A copy of the Company's Employee Securities Incentive Plan is available at <https://www.asx.com.au/asxpdf/20210504/pdf/44w5xg5l3sjb4j.pdf>.

Company Secretary

Ms. Elissa Hansen is the Company Secretary. She is accountable directly to the Board on all matters to do with the proper function of the Board.

The role of the Company Secretary is set out in more detail in the Board Charter.

6. Senior Executives

Senior executives manage the day-to-day tasks of the Company under the guidance and direction of the Executive Chairman and General Manager. QMines recognises the importance of its senior executives to the Company's growth and performance. Accordingly, the Company undertakes regular evaluations of its senior executives to review their effectiveness and performance on an ongoing basis.

The General Manager reviews the performance of senior executives annually. These evaluations assess the completeness and effectiveness of each senior executive in meeting their Key Performance Indicators (KPI's), whether the executive has the appropriate mix of skills and experience to allow the Company to meet its corporate goals and whether the executive provides a safe, secure, productive, harmonious and inclusive environment for their employees to perform at their best. An informal review was undertaken this year.

7. Diversity

QMiners is committed to diversity and inclusion in its workplace and has adopted a formal Diversity Policy. The Company will develop formal Measurable Objectives to meet the objectives of the Diversity Policy as it grows and will report these together to its progress against these measurable objectives annually.

Current proportions of men and women on the board and senior executives are as follows:

Board: 75% male, 25% female

Senior Executives: 100% male

Workforce generally: 62.5% male, 37.5% female

8. Values

QMiners' values include:

- **Safety:** Ensuring our own health and safety and the health and safety of our colleagues.
- **Integrity:** Being honest, transparent and accountable in all business dealings.
- **Performance:** Focus on excellence through teamwork and diligence to deliver value to all shareholders.
- **Innovation:** Fostering innovation, enterprise and courage within the organisation.
- **Respect:** Respecting and embracing diversity through openness, sharing, trust, teamwork and cooperation.

Ethical and Responsible Behaviour

QMiners is committed to acting ethically and responsibly, including acting with honesty and integrity. To support this, the Company has developed various policies that set out the values and expectations as to how the Company and its employees will work and behave.

Code of Conduct

QMiners' Code of Conduct represents a commitment by the Board and executives to uphold the highest standards of honesty, integrity and ethical and law-abiding behaviour and to foster a culture of honesty, integrity and ethical and law-abiding behaviour among other officers and employees.

Failure to comply with the Code is viewed as a serious matter which may lead to disciplinary action including dismissal and/or legal action. Any breach of the Code must be reported to the Board.

A copy of the Code can be found at <https://qmines.com.au/corporate-governance/>.

Conflicts of Interest

QMiners' Code of Conduct also includes guidelines for managing conflicts of interest.

In accordance with the requirements of the Corporations Act 2001 (*Cth*), Directors who have a material personal interest in a matter must not be present whilst the matter is being considered. The other Directors however, may allow such Director/s to participate and vote in relation to the issue if they are satisfied that the interest should not disqualify the Director/s from voting or being present.

Whistleblower

QMiners' Whistleblower Policy sets out the types of disclosures that qualify for protection under the Whistleblower Protection Scheme, information about the protections available under the Scheme and how the Company will support whistleblowers and protect them from detriment. The policy is made available to all officers, employees and contractors and can be found at <https://qmines.com.au/corporate-governance/>.

Any material incidents reported under the Whistleblower Policy must be reported to the Board.

Anti-bribery and Corruption

Compliance with QMiners' Anti-bribery and Corruption Policy is foundational to the Company's values, reputation and standing in the wider community.

The Company prohibits bribery and corruption in all dealings in every country. QMiners' Anti-bribery and Corruption Policy applies to all dealings whether they be with private organisations, individuals, domestic or foreign governments, or their representatives.

A copy of the Anti-bribery and Corruption Policy can be found at <https://qmines.com.au/corporate-governance/>. The Board must be notified of any material breaches to this policy.

Anti-corruption and Fraud

QMiners has zero tolerance for unfair or unethical conduct in business. It believes acting fairly and ethically will protect the Company's assets and create value for our business partners, customers and shareholders.

The Company recognises that compliance with local and international bribery and anti-corruption laws is essential to protect its reputation and preserve its ability to continue to develop its business.

QMiners has adopted a Fraud and Corruption Policy which reinforces the Board, senior management and employees' commitment to refraining from corrupt and fraudulent conduct and its responsibility for identifying fraudulent and corrupt activities and for establishing policies,

controls and procedures for prevention and detection of these activities. A copy of the policy is available at <https://qmines.com.au/corporate-governance/>.

The Board must be notified of any material breaches to this policy.

Dealing in QMines Securities

QMines has adopted a Share Trading Policy applicable to Directors, employees and associates which prohibits a person from trading or dealing in the Company's securities if they are privy to insider information. Further, a Director or their associates, may only deal in the Company's securities when they do not have any inside information and during a trading window.

A copy of the Policy is available at <https://qmines.com.au/corporate-governance/>.

Sustainability and Climate Change

QMines' objective is to become a zero-carbon critical developer and it is only one of three ASX listed resource companies to be certified carbon neutral under the Australian Government's voluntary Climate Active program.

QMines views sustainable and responsible business practices as important for its business and shareholder value. Sustainability is about managing risks and opportunities in a way that best balances the long-term needs of all our stakeholders – customers, employees, suppliers, investors and community partners – as well as the wider community and the environment at large.

QMines' management of sustainability aims to address the matters that the Company believes are the most material for its business and its stakeholders, now and in the future. QMines also understands that this is an evolving agenda and seeks to progressively embed the management of sustainability matters into business practice, while also anticipating and shaping emerging social and environmental issues where it has the skills and experience to make a meaningful difference and drive business value.

Modern Slavery

QMines is committed to sustainable business practices, advancing human rights, and have embedded business practices that work towards the prevention of modern slavery and human trafficking in its business and supply chains.

Internal Audit

The Company does not have an internal audit function. Due to its size and current activities, the Board does not believe that an internal audit function is warranted at this time. The Board evaluates and monitors internal control processes in order to continually improve the effectiveness of its risk management practices and will re-evaluate the Company's requirement for an internal audit function as the Company grows.

CEO and CFO Declaration

The Board receives a declaration from both the CEO (Managing Director) and CFO (external consultant) that, in their opinion, the financial records 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 Group, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively before the Board will approve the Company's financial statements.

Verification of Periodic reports

QMiner is required to release quarterly cashflow and activity reports. These are not audited or reviewed by an external auditor. The cashflow reports are prepared by an experienced, independent team of accountants who ensure their accuracy, and the Company has other embedded processes to ensure the accuracy of all reports to ensure they are balanced and provide investors with the appropriate information to make informed investment decisions.

9. Market Disclosure and Shareholder Communications

QMiner believes effective communication with its shareholders, potential shareholders and other market participants is of utmost importance for any listed company and is committed to promoting the highest standards of disclosure to ensure a fully informed market.

QMiner has established a Shareholder Communication Policy to promote effective communication with shareholders and encourage effective participation at general meetings. Included in this is the requirement for the Company to provide information about itself and its governance to investors via its website. A copy of the Shareholder Communication Policy is available at <https://qmines.com.au/corporate-governance/>.

Continuous Disclosure

QMiner has continuous disclosure obligations arising from legislation and the ASX Listing Rules. To safeguard the effective dissemination of information and to ensure the Directors and employees are aware of their obligations, the Company has adopted a written Market Disclosure Protocol to establish the procedure to ensure the Company immediately discloses all price-sensitive information to ASX in accordance with the ASX Listing Rules and the Corporations Act 2001 (*Cth*).

A copy of the Protocol is available at <https://qmines.com.au/corporate-governance/>.

The Board approves all material announcements prior to lodgment with ASX and receives copies of all material market announcements promptly after they have been announced.

Any new investment and/or analyst presentations are lodged and released on ASX prior to any such presentation being made to any other party.

Investor Relations

QMiner has an investor relations program that facilitates two-way communication with investors. The program is designed to allow investors and other financial market participants to gain greater understanding of QMiner's business, governance, financial performance and prospects.

Website

Information about QMiner and its governance policies and practices are available on the Company's website at <https://qmines.com.au>.

Electronic Communication

QMiner gives its shareholders the option to send and receive all communications to the Company and its share registry electronically. Shareholders are encouraged to update their communication preferences and elect to receive all communication electronically with the share registry at <https://www.investorserve.com.au/>.

Annual General Meeting

The Annual General Meeting (**AGM**) is an important occasion for updating shareholders on the Company's performance. The AGM provides the opportunity for shareholders to ask questions of and hear from the Board. QMines encourages shareholder participation at its AGM as an opportunity to allow the Board to listen and respond to shareholder feedback.

Shareholders are encouraged to submit questions prior to the meeting for response by the Company and/or auditor. The Company's external auditor attends all AGMs and is available to answer queries from shareholders relevant to the audit either received at, or prior to, the meeting.

Any substantive resolutions are decided by a poll rather than a show of hands.

10. Compliance with Recommendations

QMines currently complies with 31 of the 35 ASX Recommendations, which are relevant to the Company. Given the nature and scale of the Company, the Board believes its compliance with the ASX Recommendations to be appropriate at this time.

The ASX Recommendation the Company does not comply with is:

- Recommendation 1.5: While the Board has adopted a Diversity Policy, it has not set measurable gender diversity objectives at this time and does not intend to until it is of a sufficient size and structure to benefit from these objectives. The Board currently has a policy of appointing the best person for the job. The respective proportions of men and women on the Board in senior executive positions and across the whole organisation, is disclosed in Section 7 above.

The ASX Recommendations the Company did not comply with during the full year are:

- Recommendation 2.5: While the Board did not have an independent Chair for the full period, it now has an independent Chair following the appointment of Mr. Simon Kidston in February 2023;
- Recommendations 4.1 and 7.1: While QMines had an Audit and Risk Committee chaired by an independent director the Committee, it only has two members (instead of the required three) for part of the year. The Committee now comprises three independent director members as recommended following Mr. Kidston's appointment as a Committee member.