

Koba Resources Limited

Corporate Governance Statement

(30 September 2022)

The Board of Directors are responsible for the overall strategy, governance and performance of Koba Resources Limited (the **Company**). The Board has adopted a corporate governance framework which it considers to be suitable given the size, nature of operations and strategy of the Company.

To the extent that they are applicable, and given its circumstances, the Company adopts the essential Corporate Governance Principles and Recommendations (4th edition) (**Recommendations**) published by the ASX Corporate Governance Council. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. Where, after due consideration, the Company's corporate governance practices depart from a Recommendation, the Board has offered full disclosure and reason for the adoption of its own practice, in compliance with the "if not, why not" regime.

As the Company's activities develop in size, nature and scope, the implementation of additional corporate governance structures will be afforded further consideration.

Corporate Governance Council Recommendation		Comply (Yes / No)	Explanation
PRINCIPLE 1: Lay solid foundation for management and oversight			
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 for the board and those delegated to management.	Yes	<p>The Board has adopted a formal Board Charter which sets out the respective roles and responsibilities of the Board and management and those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board is responsible for the general supervision of the management of the Company's business and affairs with the objective of enhancing shareholder value. The Board fulfils its mandate at regularly scheduled meetings or as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Company's affairs and in light of opportunities or risks which the Company faces. The directors are kept informed of the Company's operations at these meetings as well as through reports and discussions with management on matters within their areas of expertise.</p> <p>The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. The Board delegates to management responsibility for implementation of these objectives and for the day-to-day operations of the Company, including, managing the Company's operations and cash flow, evaluating new business opportunities, recruitment and complying with applicable regulatory requirements.</p> <p>The Board Charter is available on the Company's website.</p>

1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director;</p> <p>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>In accordance with the Nomination Committee Charter, the Board carries out the functions that would ordinarily be carried out by a Nomination Committee, until such time that a separate sub-committee is formed.</p> <p>These functions include ensuring appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person or putting forward to security holders a candidate for election, as a Director.</p> <p>All material information relevant to whether or not to elect or re-elect a director will be provided to the Company's shareholders in the notice of meeting containing the resolution to elect or re-elect a Director.</p>								
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	<p>The Company's Nomination Committee Charter requires that each Director and senior executive is party to an agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p>								
1.4	<p>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	<p>The Board Charter outlines the roles, responsibilities and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with proper functioning of the Board.</p>								
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy;</p> <p>(b) through its board or 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>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (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>	No	<p>The Company has adopted a Diversity Policy, which is available on the Company's website</p> <p>The Board does not currently intend to set measurable gender diversity objectives because:</p> <p>(i) the Board does not anticipate there will be a need to appoint any new Directors or senior executives given the Company's size and stage of development and the Board's view that the existing Directors and senior executives have sufficient skills and experience;</p> <p>(ii) if the Company is required to appoint and new Directors or senior executives, the Board will consider whether requiring specified objectives to be met will unduly limit the Company from employing the best available staff with skills required to carry out the vacant positions; and</p> <p>The Company provides the following information regarding the respective proportions of men and women on the Board, in senior executive positions and across the workforce as at 30 June 2022:</p> <table data-bbox="1227 1082 1659 1214"> <thead> <tr> <th>Category</th> <th>Proportion of females</th> </tr> </thead> <tbody> <tr> <td>Whole organisation</td> <td>25%</td> </tr> <tr> <td>Senior Executives</td> <td>33%</td> </tr> <tr> <td>Board</td> <td>Nil.</td> </tr> </tbody> </table>	Category	Proportion of females	Whole organisation	25%	Senior Executives	33%	Board	Nil.
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Whole organisation	25%										
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Board	Nil.										

1.6	<p>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 for 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>	Yes	<p>In accordance with the Remuneration Committee Charter, the Board carries out the functions that would ordinarily be carried out by a Remuneration Committee, until such time that a separate sub-committee is formed. This includes being responsible for evaluating the performance of the Board, its committees and individual directors on an annual basis.</p> <p>The Company intends to complete the performance evaluations in respect of the Board, its committees and individual directors for each financial year, commencing FY2023, in accordance with the applicable process, and will disclose whether a performance evaluation has been undertaken in the Company's Annual Report.</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(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.</p>	Yes	<p>In accordance with the Company's Remuneration Committee, the Board is responsible for evaluating the performance of its senior executives on an annual basis.</p> <p>The Company intends to complete the performance evaluations in respect of the senior executives for each financial year, commencing FY2022, in accordance with the applicable process, and will disclose whether a performance evaluation has been undertaken in the Company's Annual Report.</p>
PRINCIPLE 2: Structure the Board to be effective and add value			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(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</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>	Partially	<p>The Company does not have a separate Nomination Committee because the Board fulfils these functions.</p> <p>The Company's Nomination Committee Charter provides for the creation of a Nomination Committee, when the Board considers one is required or otherwise in the best interests of the Company. In the absence of such a committee the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under its charter, including:</p> <p>(i) consideration of Board succession planning; and</p> <p>(ii) reviewing whether the Board as a group has the requisite skills, knowledge and familiarity with the entity, given its operating environment and stage of development.</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.	Yes	The Company has a Board skill matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership. A copy is available on the Company's website.																
2.3	<p>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 of the ASX Corporate Governance Principles and Recommendations (4th edition), 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>	Yes	<p>The Board currently consists of:</p> <table border="1" data-bbox="1167 411 2040 592"> <thead> <tr> <th>Name</th> <th>Role</th> <th>Date of Appointment</th> <th>Independent</th> </tr> </thead> <tbody> <tr> <td>Michael Haynes</td> <td>Non-Executive Chairman</td> <td>14 May 2021</td> <td>Yes</td> </tr> <tr> <td>Scott Funston</td> <td>Non-Executive Director</td> <td>21 December 2021</td> <td>Yes</td> </tr> <tr> <td>Benjamin Vallerine</td> <td>Managing Director</td> <td>21 December 2021</td> <td>No</td> </tr> </tbody> </table> <p>The Board has considered the independence status of the current directors in terms of the ASX Corporate Governance Council's commentary on independence.</p> <p>A profile of each director including their skills, experience, expertise and term of office will be disclosed in the Company's Annual Report.</p>	Name	Role	Date of Appointment	Independent	Michael Haynes	Non-Executive Chairman	14 May 2021	Yes	Scott Funston	Non-Executive Director	21 December 2021	Yes	Benjamin Vallerine	Managing Director	21 December 2021	No
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Michael Haynes	Non-Executive Chairman	14 May 2021	Yes																
Scott Funston	Non-Executive Director	21 December 2021	Yes																
Benjamin Vallerine	Managing Director	21 December 2021	No																
2.4	A majority of the board of a listed entity should be independent directors.	Yes	<p>The Company has a majority of independent directors.</p> <p>The Board, at least annually, will assess the independence of its non-executive directors. This assessment may occur more than once each year if there is a change in circumstances that may impact upon the independence of a non-executive director.</p> <p>Individual directors must not participate in assessing their own independence and must provide to the Board all information relevant to the assessment.</p> <p>In assessing independence, the Board considers all circumstances relevant to determining whether the non-executive director is free from any interest and any business or other relationship which could or could reasonably be perceived to; materially interfere with that director's ability to exercise unfettered and independent judgment on Company issues.</p> <p>Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.</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.	Yes	The chair and CEO positions are not held by the same person. The Chairman is considered to be an independent director.																

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.	No	Commensurate with the Board's small size and the scale of the Company's operations, the induction process for new directors is currently informal. Directors are supported in undertaking their own continuing professional development. The Company Secretary is responsible for facilitating inductions and professional development including receiving briefings on material developments in laws, regulations and accounting standards relevant to the Company.
PRINCIPLE 3: Instil a culture of acting lawfully, ethically and responsibly			
3.1	A listed entity should articulate and disclose its values	Yes	The Company's values are set out in its Code of Conduct which is available on the Company's website.
3.2	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.	Yes	The Company's Code of Conduct applies to the Company's Directors, senior executives and employees. The Code of Conduct is available on the Company's website. Any material breaches of the Code of Conduct are reported to the Board or a committee of the Board.
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.	Yes	The Company's Whistleblower Policy is available on the Company's website. Any material breaches of the Whistleblower Policy are reported to the Board or a committee of the Board.
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.	Yes	The Company's Anti-Bribery and Corruption Policy is available on the Company's website. Any material breaches of the Anti-Bribery and Corruption Policy are reported to the Board or a committee of the Board.

PRINCIPLE 4: Safeguard the integrity of corporate reports			
4.1	<p>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 chair of the board, 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>	No	<p>The Company does not have a separate Audit Committee because the Board fulfils these functions.</p> <p>The Company's Audit Committee Charter provides for the creation of an Audit Committee, when the Board considers one is required or otherwise in the best interests of the Company. In the absence of such a committee the Board carries out the duties that would ordinarily be carried out by the Audit Committee under its charter, including monitoring the form and content of the Company's financial statements and reviewing the Company's internal financial controls and risk management systems.</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, should 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>	Yes	<p>The Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) provide a declaration to the Board in accordance with section 295A of the Corporations Act and have assured the Board that such declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial risk.</p>
4.3	<p>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>	Yes	<p>The Company will produce a number of periodic reports, including the annual financial report, half-year financial report and quarterly activity and cash flow reports. The Company has in place processes to review and confirm the accuracy and reasonableness of the disclosures contained in these reports at both management and Board level, including where a corporate report is not subject to audit or review by an external auditor. Management will prepare the disclosures in these reports, which will be reviewed by the relevant executive and then approved by the Board. In the event that additional legal or financial review is required, the proposed disclosure will be subject to additional review by the appropriate Company adviser.</p>

PRINCIPLE 5: Make timely and balanced disclosure			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Yes	The Company has a Continuous Disclosure Policy which is available on the Company's website. that sets out the processes in place to ensure that any price sensitive information is identified, reviewed by management and disclosed to ASX disclosure platforms in a timely manner. The Company's Continuous Disclosure Policy is disclosed on the Company's website. The Continuous Disclosure Policy is designed to ensure timely and balanced disclosure of information in line with ASX Listing Rules and to ensure that all Directors', senior executives and employees of the Company understand their responsibilities under the policy.
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	Under the Company's Continuous Disclosure Policy, all members of the Board will receive material market announcements promptly after they have been made.
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.	Yes	The Company Secretary will ensure that any substantive presentations are released to the ASX Market Announcements Platform ahead of such presentations
PRINCIPLE 6: Respect the rights of security holders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its governance practices is available on the Company's website.
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company has a Shareholder Communication Policy which is available on the Company's website. This policy encourages shareholder participation and engagement with the Company.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	The Board encourages full participation of shareholders at the shareholders' meetings. Shareholders will be provided with access to notices of meeting and the Chairman's address prior to the meetings. Shareholders will also be given the opportunity to ask questions of Directors and management, either during or after shareholders' 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 a show of hands	Yes	The Company will ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than a show of hands.
6.5	A listed entity should ensure give security holders the option to receive communications from, and send communications to, the entity and its security register electronically	Yes	The Shareholder Communications Policy sets out the various methods, forums and publications through which the Company will communicate with Shareholders, including through periodic and annual reporting, its website, at its annual general meeting and via the share registry.
PRINCIPLE 7: Recognise and manage risk			

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> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director; <p>and disclose:</p> <ul style="list-style-type: none"> (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 <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>	No	<p>The Company does not currently have a risk management committee. The Board has considered this matter and decided that the non-compliance does not affect the operation of the Company. This recommendation will be satisfied at the appropriate time in the Company's future.</p> <p>In the absence of a risk management committee, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter, including the following processes to oversee the entity's risk management framework:</p> <ul style="list-style-type: none"> (i) regular reporting to the Board on key areas of the business, so that the Board can assess whether the Company and its management are operating within an acceptable level of risk; and (ii) engagement of external experts and advisers where required to ensure the Company's risk management framework is upheld.
7.2	<p>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 that the entity is operating with due regard to the risk appetite set by the Board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>The Audit and Risk Committee Charter requires that the Board satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.</p> <p>The Company will disclose whether a review of its risk framework has occurred in the Company's Annual Report.</p>
7.3	<p>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 governance, risk management and internal control processes.</p>	No	<p>The Company will not have an internal audit function until the Company's operations are of a sufficient number and magnitude to be of benefit to the Company.</p> <p>The Company's risk management framework is designed to assist the Company to identify, assess, monitor and manage its business risks, including any material changes to its risk profile. The Board devotes time during Board meetings to ensuring that the Company maintains effective risk management and internal control systems and processes.</p>
7.4	<p>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.</p>	Yes	<p>The Audit and Risk Committee Charter requires that the Board assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and if it does, put in place management systems, practices and procedures to manage those risks.</p>

PRINCIPLE 8: Remunerate fairly and responsibly			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director; (iii) and disclose: (iv) the charter of the committee; (v) the members of the committee; and (vi) 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>(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>	Partially	<p>The Company does not have a separate Remuneration Committee because the Board fulfils these functions.</p> <p>The Company's Remuneration Committee Charter provides for the creation of a Remuneration Committee, when the Board considers one is required or otherwise in the best interests of the Company. In the absence of such a committee the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under its charter, including assessing the appropriateness of the nature and amount of directors and senior executives remuneration, on an annual basis.</p>
8.2	<p>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>Non-executive directors are paid a fixed annual fee for their services to the Company as Non-Executive Directors. Subject to applicable workloads additional fees may be payable, including for the provision of additional consulting services. Non-executive directors are also eligible to participate in the Company's equity incentive plans.</p> <p>Executive Directors and other senior executives typically receive remuneration comprising base salary or consulting fees and other fixed benefits based on the terms of their respective employment/consulting agreements with the Company. Executive Directors and senior executives are also eligible to participate in the Company's equity incentive plans.</p>
8.3	<p>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 using 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>	Yes	<p>Insiders and key management personnel are required to comply with the Company's Securities Trading Policy. This policy is available on the Company's website.</p>

Appendix – 1
Board Skills Matrix

Board of Directors			
	Michael Haynes	Scott Funston	Benjamin Vallerine
Appointment Date	14 May 2021	21 December 2021	21 December 2021
Skills & Experience			
Listed board experience	✓	✓	✓
International experience	✓	✓	✓
Financial – including accounting and/or corporate finance	-	✓	-
Capital markets	✓	✓	✓
Exploration sector experience	✓	✓	✓
Geological experience	✓	-	✓
Project development experience	✓	✓	✓
North American experience	✓	✓	✓