



# Corporate Governance Statement

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Dart Mining NL, ABN: 84 119 904 880 (Company)

## *Corporate Governance Statement (continued)*

This statement summarises the corporate governance policies and procedures adopted by Dart Mining NL's Board of Directors ("Board") and discloses the extent to which the Company has followed the ASX Corporate Governance Council's Corporate Governance Principals and Recommendations (4<sup>th</sup> Edition) ("ASX Principles") during and since the reporting period. The Board aims to ensure the Company operates with a corporate governance framework and culture that is relevant, practical and cost effective for the current size and stage of development of the business.

### **Principle 1: Lay solid foundations for management and oversight**

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#### **1.1 Roles and Responsibilities of Board and Management**

The relationship between the Board and senior management is critical to the group's long-term success. The Board acts 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 its subsidiaries (the "Group").

#### **Responsibilities of the Board**

The responsibilities of the Board include oversight, accountability and approval of:

- (a) Strategic Issues
  - Approving management's corporate strategy and performance objectives;
  - Providing strategic advice to management;
  - Monitoring performance and implementation of strategy and ensuring appropriate resources are available.
- (b) Shareholding items
  - Issuing shares, options or conditional rights;
  - Determining the amount of any dividend.
- (c) Financial items
  - Approving and monitoring financial and other reporting;
  - Approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures;
  - Reporting to shareholders.
- (d) Risk and control
  - Overseeing the Group's control and accountability system;
  - Reviewing and ratifying systems of risk management, internal compliance and control, and legal compliance to ensure appropriate compliance frameworks are in place.
- (e) Board and senior management
  - Appointment, performance assessment and, if necessary, removal of Chief Executive Officer ("CEO");
  - Ratifying appointment and, where appropriate, removal of Chief Financial Officer ("CFO") and Company Secretary;
  - Ratifying other senior executive appointments, organisational changes and senior management remuneration policies and practices;
  - Approving succession plans for management;
  - Monitoring performance of the Board both collectively and individually;
  - Recommending directors for nomination and removal.
- (f) Other Board responsibilities
  - Monitoring and ensuring compliance with best practice corporate governance requirements;
  - Approving board committee charters.

Further details are outlined in the Board Charter which can be found at the Company's website, [www.dartmining.com.au](http://www.dartmining.com.au)

#### **Responsibilities of the Managing Director or CEO**

Responsibility for day-to-day management and administration of the Group is delegated by the Board to the Managing Director or CEO. The Managing Director or CEO manages the Group in accordance with the strategy, plans and policies approved by the Board.

#### **1.2 Director appointment and election**

The Board undertakes appropriate checks before appointing any new candidates as directors, which may include review by the Nomination Committee (if any) and appropriate reference checking. All material information regarding any director proposed for re-election will be included in the Explanatory Information to the relevant Notice of Meeting.

### **1.3 Written Agreements with Directors and Senior Executives**

New directors receive a letter of appointment which outlines the key terms and conditions of their appointment. Senior executives and all employees are required to sign employment agreements, which set out the key terms of their employment.

### **1.4 Responsibilities of the Company Secretary**

The Company Secretary is responsible for providing administrative support to the Board and its Committees. The Company Secretary is accountable directly to the Board, through the Chair, on all matters relating to proper functioning of the Board.

### **1.5 Diversity Policy**

The Company recognises the value contributed to the organisation by employing people with varying skills, cultural backgrounds, ethnicity and experience. The Company believes its diverse workforce is the key to continued growth and improved productivity and performance. The Company actively values and embraces diversity of its employees and is committed to creating an inclusive workplace where everyone is treated equally and fairly, and where discrimination, harassment and inequality are not tolerated. While the Company is committed to fostering diversity at all levels, gender diversity continues to be a priority for the Group.

Accordingly, the Board has developed the following objectives regarding gender diversity and aims to achieve these objectives as Director and senior executive positions become vacant and appropriately qualified candidates become available:

- achieve a diverse and skilled workforce, leading to continuous improvement in the achievement of its corporate goals;
- the development of clear criteria on behavioural expectations in relation to promoting diversity;
- create a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives;
- ensure that personnel responsible for recruitment take into account diversity issues when considering vacancies; and
- create awareness in all employees of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

It is noted that the Company continues to work towards gender diversity, due to the low overall number of staff, a change of a few employees can have significant impact on the Company's performance in respect of its measurable diversity objectives both positively and negatively.

The table below outlines gender diversity within Dart Mining for 2021 and 2022:

	Whole organisation		Senior Executive		Board	
	2022	2021	2022	2021	2022	2021
Total	10	16	1	1	3	3
Female	3	2	-	-	-	-
% Female	30%	16%	0%	0%	0%	0%

### **1.6 Board, committee and director performance**

The Board follows an informal process of self-assessment of its performance, and the performance of its committees.

During the reporting period, the Board has undertaken an assessment of individual Directors performance via informal discussions between each Director and the Chairman.

### **1.7 CEO and senior executive performance**

The Company has a performance management program which includes annual assessments of performance in each year. For further detail please see Remuneration Report of the Annual Financial Report.

## **Principle 2: Structure the Board to add value**

### **2.1 Nomination committee**

The Board has a nomination committee which is composed of three directors, of which the majority are independent. The committee is chaired by an independent director.

## *Corporate Governance Statement (continued)*

At the date of this report the committee consisted of the following members:

Mr J Chirnside (Managing Director)

Mr C Swensson (Non-executive and independent Director & Chair of the Remuneration and Nomination Committee)

Mr R Udovenya (Non-executive and independent Director)

Details of these directors' attendance at committee meetings are set out in the Directors' Report of the Annual Financial Report.

A charter for the Remuneration and Nomination Committee can be found at [www.dartmining.com.au](http://www.dartmining.com.au)

### **2.2 Board skills**

The Board seeks to achieve a mix of skills and diversity that it enables it to most effectively carry out its functions and responsibilities. It is intended that the composition of the Board be balanced, with Directors possessing an appropriate mix of skills, experience, expertise, qualifications and contacts relevant to Dart's business. The Board Charter and the Remuneration & Nomination Committee Charter outline in more detail the procedure for the selection and appointment of new directors.

### **2.3 Board members**

Details of the members of the Board, their experience, qualifications, term of office and independence status are set out in the Directors' Report under the section titled "Information on Directors" of the Annual Financial Report.

### **2.4 Directors' independence**

An independent director must be independent of management, be free of any business or other relationship and otherwise meet the criteria for independence set out in the ASX Principles.

During the prior reporting period, the Group complied with ASX Principle 2.4 which requires that a majority of the Board should be Independent.

The Board assesses the independence of directors as and when required.

### **2.5 Independent Chairman**

The current Chairman, Mr Chirnside, is an executive director. Mr Chirnside was appointed 18 June 2015.

In accordance with current practice, the Board Charter requires the role of Chairman and CEO to be separate.

Due to the limited resources available within the company, the company has been unable to meet with these principles, it is the board's intention to address these issues as the resources become available.

### **2.6 Director induction and professional development**

The Nomination Committee oversees, reviews and makes recommendations to the Board in relation to induction and development of non-executive directors, to ensure they develop and maintain the skills and knowledge needed to perform their roles as directors effectively.

The Company has a program for the induction of new directors which includes briefings with the CEO, Company Secretary, Senior Management and industry experts, site visits and provision of appropriate Company documentation.

The Board receives regular updates provided by the Company's legal advisors to assist with keeping current with relevant legal and industry developments.

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## **Principle 3: Promote ethical and responsible decision making**

### **3.1 Code of Conduct**

The directors are committed to making positive economic, social and environmental contributions, while complying with all applicable laws and regulations and acting in a manner that is consistent with the principals of honesty, integrity, fairness and respect. The Company has established a Code of Conduct to establish clear standards against which to guide decision making and hold itself accountable. The Code provides a set of guiding principles covering employment practices, responsibility to shareholders and financial markets, equal opportunity, harassment and bullying, conflicts of interest, use of Company resources and disclosure of confidential information. The Code of Conduct is available on the Company's website at [www.dartmining.com.au](http://www.dartmining.com.au)

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## **Principle 4: Safeguard integrity in financial reporting**

## *Corporate Governance Statement (continued)*

### **4.1 Audit and Risk Committee**

The Board has established an Audit and Risk Committee comprising one executive director and two non-executive directors. At the date of this report the Committee consisted of the following members:

Mr J Chirside (Managing Director & Chair of the Audit and Risk Committee)

Mr C Swensson (Non-executive and independent Director)

Mr R Udovenya (Non-executive and independent Director)

Details of these directors' qualifications and attendance at committee meetings are set out in the Directors' Report in the Annual Financial Report.

The Company's Audit and Risk Management Committee consists of a majority of Non-executive Directors. The Board considers that due to the small number of directors on the Board and limited resources available within the company, the company has been unable to meet with this principle, it is the board's intention to address these issues as the resources become available.

The Directors allocated Committee positions according to the skill sets available and to balance the expected work load among themselves.

The charter of the Committee can be found on the Company's website at [www.dartmining.com.au](http://www.dartmining.com.au)

### **4.2 CEO and CFO Declarations for financial statements**

Prior to approval of the Company's financial statements for the half or full year by the Board, the CEO and CFO (or in the absence of a CEO, the Chair of the Board) provide 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.

### **4.3 External auditors**

The external auditor, Morrows Audit Pty Ltd, attends each AGM and is available to answer questions from shareholders relevant to the audit.

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## **Principle 5: Make timely and balanced disclosure**

### **5.1 Continuous disclosure**

The Company has a market disclosure protocol to ensure compliance with ASX Listing Rules and has a vetting and authorisation process designed to ensure announcements are factual, complete and balanced.

A copy of this policy is available on the Company's website at [www.dartmining.com.au](http://www.dartmining.com.au)

### **5.2 Continuous disclosure**

The company ensures that its board receives copies of all material market announcements promptly after they have been made.

### **5.3 Continuous disclosure**

The company releases a copy of any presentations to new and substantive investor or analyst presentation materials on the ASX Market Announcements Platform ahead of the presentation.

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## **Principle 6: Respect the rights of shareholders**

### **6.1 Information on website**

The Company provides information about itself and its corporate governance to its shareholders and members of the public on its website at [www.dartmining.com.au](http://www.dartmining.com.au)

### **6.2 Communication with shareholders**

The Board has approved a Shareholder Communication Policy to ensure that shareholders and the wider community are informed of all major developments affecting the Company in a timely and effective manner. Including its disclosure obligations under the ASX Listing Rules, the Company communicates with its shareholders in a number of ways, comprising:

- annual and half-yearly reports;

## *Corporate Governance Statement (continued)*

- announcements on the Company's website;
- market briefings; and
- presentations at general meetings.

In addition to ensuring all Company information is available on the Company's website soon after receiving confirmation by the ASX of the receipt of the announcement, the Company will send to each shareholder or member of the public, who has requested, either by post or email, a copy of the release.

### **6.3 Participation at shareholder meetings**

The Company holds its Annual General Meeting (AGM) in November each year in Melbourne. The Notice of Meeting and related Explanatory Notes are distributed to shareholders in accordance with the requirements of the Corporations Act, and simultaneously released to the ASX. The AGM provides the Company the opportunity to communicate with shareholders through the CEO & Chairman's presentation/address.

Shareholders are given the opportunity at the AGM to ask general questions about the management of the Company, as well as ask questions about particular agenda items. Shareholders who are unable to attend the meeting in person may submit written questions together with their proxy form.

### **6.4 Resolutions at a meeting of security holders**

All resolutions at a meeting of security holders are decided by a poll.

### **6.5 Electronic communication**

Shareholders are encouraged to receive shareholder material electronically, which can be established by registering on the Company website or to certain information via the Company's share registry, Automic.

Shareholders are also able to contact the Company via the general contact email address [info@dartmining.com](mailto:info@dartmining.com), and where appropriate a response will be provided.

## **Principle 7: Recognise and manage risk**

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### **7.1 Audit and risk committee**

The Board has established an Audit and Risk Committee consisting of one executive director and two non-executive directors. Details regarding composition, meetings and charter are set out in section 4.1 of this Corporate Governance Statement.

### **7.2 Risk management framework**

The Board considers risk management fundamental to maintaining efficient and effective operations and generating and protecting shareholder value. The management and oversight of risk is an ongoing process integral to the management and corporate governance of the Company's business.

The Board, through its Audit and Risk Committee, is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal controls. The Company has established a risk management system which aligns with the vision, strategy, processes, technology and governance and provides for:

- appropriate levels of risk taking and acceptance;
- an effective system for management of risk across the Company;
- informed and effective strategy setting, decision making, planning and performance oversight; and
- reliable and efficient execution of operations, programs and projects.

The Company has a Risk Management Policy, a summary of which is available on the Company's website, which sets out the objectives and key principals of risk management, along with responsibilities and authorities of the Board, the Audit and Risk Committee, the CEO, CFO, Executive Management and management. The Company has adopted a risk management strategy that aims to identify and minimise the potential for loss, while also maximising strategic opportunities for growth and development. The Board sets risk appetite and tolerance levels for the Company and reviews this and the risk management framework each reporting period in order to satisfy itself that it continues to be sound.

During the reporting period CEO has reported to the Audit and Risk Committee as to the effectiveness of the group's management of its material business risks and the effectiveness of the risk management framework.

### **7.3 Internal audit function**

With regard to the Company's size, the Board does not deem it necessary to have an internal audit function. As outlined in section 7.2 the Company has a comprehensive system of risk management and undertakes regular reviews of its effectiveness and where necessary utilises the resources of an external risk consultant.

### **7.4 Sustainability risks and management**

As far as it is aware, the Company does not presently have any material exposure to environmental or social sustainability risks. The Company's key economic risks are outlined in the Annual Financial Report in the directors' report under the heading 'Material Business Risks'. In addition to risk management strategies outlined in section 7.1 and 7.2, the Company utilises risk mitigation strategies including employing qualified and specialised consultants and advisors, as and when required, and holding a comprehensive insurance program.

## **Principle 8: Remunerate fairly and responsibly**

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### **8.1 Remuneration committee**

The Board has a Remuneration and Nomination committee which is composed of three directors, of which the majority are independent, the chair is not an independent director. The Board considers that due to the small number of directors on the Board and limited resources available within the company, the company has been unable to meet with this principle, it is the board's intention to address these issues as the resources become available.

At the date of this report the committee consisted of the following members:

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The Company has a remuneration framework to ensure an executive's total remuneration is set at an appropriate level. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the AGM.

Further information on remuneration is set out in the Remuneration Report of the Annual Financial Report.

### **8.2 Executive and non-executive remuneration policies**

Non-executive directors are remunerated at market rates for comparable companies for time, commitment, and responsibilities. The Board as a whole determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties, and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the AGM.

Each executive has a formal service agreement, which includes a position description and sets out duties, rights and responsibilities as well as entitlement on termination. The Company has policies which apply to base salaries, short-term incentives and long-term incentives. Further information on remuneration is set out in the Remuneration Report of the Annual Financial Report.

### **8.3 Hedging of equity incentive schemes**

Dart Mining prohibits Key Management Personnel from entering into transactions in associated products which operate to limit the economic risk of security holdings in Dart Mining over unvested entitlements or entitlements which have vested but remain subject to a holding lock. A copy of the Share Trading Policy can be found on the Company's website at [www.dartmining.com.au](http://www.dartmining.com.au)

The Corporate Governance Statement was approved by the Board of directors on 28 September 2022.