

Corporate Governance Statement as at 30 June 2025

Approved by the Board of KGL Resources Limited

PRINCIPLE 1

LAYING SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

THE BOARD CHARTER

Recommendation 1.1 Board Charter – Compliant

The overriding responsibility of the Board, as set out in the Board Charter, is to act honestly, fairly, diligently and in accordance with the law in serving the interests of the Company's shareholders, as well as its employees and its customers. The Board should work to promote and maintain an environment within the Company that establishes these principles as basic guidelines for all of its employees and representatives at all times.

More specifically, the role of the Board is to provide strategic guidance for the Company and to effectively oversee management of the Company. The Board's and Chairman's responsibilities are set out below.

AREA	BOARD RESPONSIBILITY
CEO and Senior Executives	Appointing and removing senior executives and monitoring their performance.
Authorities	Determining and approving the levels of authority to be given to senior executives in relation to operational expenditures, capital expenditures, contracts and authorising any further delegations of those authorities by senior executives to the other employees of the Company.
Corporate Strategy	Approval of corporate strategy, financial plans and performance objectives.
Risk Management	Reviewing, ratifying and monitoring risk management and internal control systems, codes of conduct and legal compliance.
Health Safety and Environment	Monitoring occupational health, safety and environmental performance. Compliance and commitment of appropriate resources.
Capital expenditure and Management	Evaluating, approving and monitoring major capital expenditure, capital management and all major corporate transactions including the issue of securities.
Reporting	Approving all financial report, material reporting and external communications.
Company Secretary	Appointment of Company Secretary.

AREA	CHAIRMAN RESPONSIBILITY
Leadership	Leadership of the Board, facilitating effective contribution and promoting constructive and respectful relations between Directors and the Board and Management.
Meeting Conduct	The Chairman is also responsible for setting the agenda for Board meetings and ensuring the efficient organisation and conduct of the Board's function, the briefing of all Directors in relation to issues arising at Board meetings and overseeing communications to shareholders and arranging Board performance evaluation.

To effectively carry out its responsibilities, the Board delegates all other functions to the Chief Executive Officer (CEO). Management, led by the CEO, is responsible for running the affairs of the Company under delegated authority from the Board and implementing the policies and strategies set by the Board.

Since January 2025, the Company has been without a Chief Executive Officer. The Chairman has taken on the executive functions until the Company is able to find a suitable candidate to fill the CEO role to take the Company into development and operations.

With the knowledge of the Chairman, Directors may seek independent professional advice at the expense of the Company on any matter connected with the discharge of their responsibilities. The Chairman may determine whether any such advice received by a director will be circulated to the Board.

A copy of the Board Charter can be found on the Company's website www.kglresources.com.au.

The Board Charter is reviewed every two years.

Recommendation 1.2 Nomination and Appointment of Directors – Compliant

Before a director is appointed, the Board undertakes appropriate evaluations including in-depth interviews and reference checks. All members of the Board are given the opportunity to interview the potential appointee.

Where a director is standing for election or re-election, the Notice of Meeting, including the Explanatory Memorandum, will set out information on the director including qualifications and experience, independence status and the recommendation of the rest of the Board on the resolution. A statement as to whether the Board supports the election/re-election of each director standing for election is provided.

Additionally, a detailed profile for each director is included in the Company's Annual Report.

Recommendation 1.3 Agreements with Directors and Senior Executives – Compliant

The appointment of each Director and Senior Executive is subject to the execution of a Letter of Appointment, setting out the terms and conditions of the appointment. Officers of the Company are also subject to a Deed of Access, Insurance and Indemnity.

Recommendation 1.4 Company Secretary – Compliant

The company secretary reports solely to the Board and communication between the directors and the company secretary is open and unfettered. The company secretary advises the Board and its committees on governance matters, attends and takes minutes at all Board meetings, communicates with the ASX and ASIC on all regulatory matters, monitors adherence to Board policies and procedures and retains professional advisors at the Board's request.

Recommendation 1.5 Diversity Policy – Compliant

The Company believes in equal opportunities for all its people and recognises that its business benefits from the diversity of its people. The Company has a Diversity and Inclusiveness Policy and is committed to developing a diverse and inclusive workforce and providing a respectful environment free from discrimination.

- Promoting diversity in the workplace, including recognising, valuing and utilising the diverse skills and knowledge of staff and contractors.
- Providing a respectful workplace environment where Workers are treated fairly and decisions are based on merit.
- Promoting a culture that supports diversity and enables people to feel comfortable and thrive at work.
- Complying with all relevant anti-discrimination laws.
- Identifying constraints to diversity success and taking action to address the issues.
- Ensuring that discrimination does not occur at any level of its business or in any part of the employment or business relationship. This includes decisions in relation to recruitment, procurement, promotion, training opportunities, work task allocation, salary, benefits, performance management and disciplinary action.
- Ensuring that Workers understand their obligations and do not engage in behaviour that breaches this Policy.
- Taking all complaints seriously and addressing them appropriately.

The Board has not set measurable objectives for achieving gender diversity however there has been progress made in recruiting women into what is considered a traditionally male dominated industry. The Group has 16 employees, 38% being female.

The Company is not a 'relevant employer' as defined under the *Workplace Gender Equality Act*.

A copy of the Diversity and Inclusiveness Policy can be found on the Company website www.kglresources.com.au.

Recommendation 1.6 Board Evaluation – Not Compliant

The Company is currently a small single project company. It is yet to develop a procedure for evaluating the performance of the Board as the outcomes related to the Project align with the outcomes required of the Board. As the Company advances the development of the Jervois Project, consideration will be given to how best to structure a Board performance review.

Recommendation 1.7 Senior Executive Evaluation – Not Compliant

As the Company advances the Jervois Project, consideration will be given to the appropriate structure of the executive roles within the Company. As positions are filled, the Board will consider the processes for evaluating the performance of senior executives.

PRINCIPLE 2

STRUCTURING THE BOARD TO BE EFFECTIVE AND ADD VALUE

Recommendation 2.1 Nomination Committee – Not Compliant

At this point in time, the Board comprises three directors. The Board considers that it is more efficient to deal with matters relating to nomination at a Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Remuneration Committee, which comprises the functions of a Nomination Committee will be re-formed. The Remuneration Committee Charter, which details the requirements of the Nomination Committee is listed on the Company's website under the Corporate Governance section.

Recommendation 2.2 Board Skills Matrix – Not Compliant

Directors recognise the following skills as being either essential or desirable for the effective operation of the Board. An assessment is made as to whether these skills are required by the members of the Board or whether they are better sourced through a consultant. External consultants have been used on a limited basis. Consideration is being made on the appointment of an additional non-executive director and the skills matrix will form part of the assessment process.

Skills required:

- strategic thinking.
- financial expertise.
- legal expertise.
- risk and compliance oversight experience.
- experience with major transactions.
- financial/equity market experience.
- executive level experience.
- commercial and technical experience.
- metals industry experience.
- mine development and operational experience.

Recommendation 2.3 Independent Directors – Compliant

The Board currently has one independent, non-executive director: Mr Brian Gell.

Mr Gell, through a company owned by him, has a consultancy arrangement with Mach Energy and Rex Minerals as a technical advisor on coal and copper operational matters. Both Mach Energy and Rex Minerals are ultimately owned by the Salim group which is also KGL's largest Shareholder. Having sought legal advice and considered the quantum of these contracts, the Board is of the opinion that these arrangements are not material and could not influence, or reasonably be perceived to influence Mr Gell's independent judgement in a material respect. The Board therefore considers Mr Gell an independent director.

The Board is actively searching for an additional independent, non-executive director.

The length of service of all directors is disclosed in the Directors' Report.

Recommendation 2.4 Board Composition – Independent Directors – Not Compliant

The Board currently has one independent, non-executive director: Mr Brian Gell.

The Board is actively searching for an additional independent, non-executive director.

Recommendation 2.5 Chairman and CEO Roles – Not Compliant

In January 2025, the CEO resigned. Given the need to complete the Feasibility Study Update, the Chairman, Mr Jeff Gerard, was selected by Board to take over the executive functions. This then prevented Mr Gerard from being considered a non-executive director.

The board comprises 3 directors currently with one, considered to be independent. As such, the Board no longer comprises a majority of independent directors.

There is now, no longer a separation between the Chairman and CEO roles.

Recommendation 2.6 Director Induction and Professional Development – Compliant

New directors undergo an induction process which includes receiving a briefing from the Chairman and/or CEO of the Company, being provided with copies of all reports and announcements relevant to the Company's recent activities and developments and, when possible, a site familiarisation visit.

The current Board members have many years' experience, particularly in resources and infrastructure projects, and therefore come with a thorough understanding of what is required to perform their roles as directors. The Board, via the Chief Financial Officer, is regularly updated on developments in laws, regulations and accounting standards relevant to the Company.

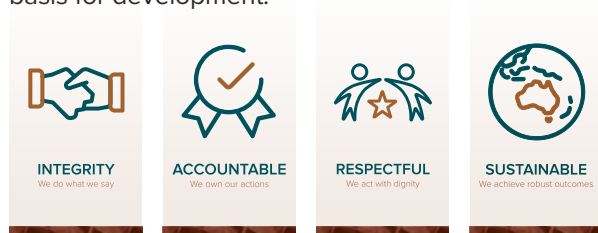
PRINCIPLE 3

INSTILLING A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

Recommendation 3.1 Company Values – Compliant

The Company has developed a set of guiding principles and norms that define the type of Company it aspires to be and outlines its expectations of directors, senior executives and employees in order to achieve that aspiration.

All policies and procedures use these values as the basis for development.



Recommendation 3.2 Code of Conduct – Compliant

The Company's Code of Conduct outlines what is expected of everyone who works for the Company with respect to responsibilities to shareholders, employees, customers, suppliers, consumers and the broader community.

The Code of Conduct applies to everyone who works for the Company – directors, officers, employees and contractors – and covers business activities with all stakeholders in Australia and overseas.

The Code of Conduct is to be read in conjunction with the Company's policies and procedures and other relevant documents including employment contracts.

Material breaches of this code are reported to the Board through senior management.

A copy of the Code of Conduct can be found on the Company's website www.kglresources.com.au.

Recommendation 3.3 Whistleblower Policy – Compliant

The Company has introduced a comprehensive Whistleblower Policy that states the Company's commitment to doing business in an open and accountable way through supporting a culture of honest and ethical behaviour. The Company recognises that an important aspect of this is for individuals to feel confident about reporting any concerns they may have about suspicious activity or wrongdoing in relation to business activities without fear of harm or reprisal.

The policy details the process that should be followed to enable the protection of the whistleblower as well as the reporting requirements for issues raised.

A copy of the Whistleblower Policy can be found on the Company's website www.kglresources.com.au.

Recommendation 3.4 Anti-bribery and corruption Policy – Compliant

The Company has an Anti-bribery and Corruption Policy that details its commitment to a zero- tolerance for bribery and corruption in all business dealings in every country it operates in or procures business or supplies from.

The policy details the objectives that the Company is accountable for and the accountabilities of its employees and contractors.

A copy of the Anti-bribery and Corruption Policy can be found on the Company's website www.kglresources.com.au.

PRINCIPLE 4

SAFEGUARDING THE INTEGRITY OF CORPORATE REPORTS**Recommendation 4.1 Audit Committee – Not Compliant**

At this point in time, the Board only comprises three directors. The Board considers that it is more efficient to deal with matters relating to audit at a Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Audit and Risk Committee, which comprises the functions of an Audit Committee will be re-formed. The Audit and Risk Committee Charter is listed on the Company's website under the Corporate Governance section.

In the absence of the committee, the matters dealt with by the Board in relation to audits include:

- the integrity of the Company's accounting and financial reporting practices,
- the Company's risk profile and risk policies,
- the effectiveness of the Company's system of internal control and framework for risk management, and
- the Company's compliance with applicable legal and regulatory obligations.

The Audit and Risk Committee Charter details the following responsibilities that are now also dealt with by the Board as a whole:

- assessing whether the Company's external reporting is consistent with the information and knowledge of members of the Audit and Risk Committee and whether it is adequate for the needs of the Company's shareholders,
- assessing the management processes supporting external reporting,
- overseeing the development, implementation and review of the procedures for selection and appointment of the Company's external auditor and for the rotation of external audit engagement partners,
- making recommendations to the Board about the appointment and removal of the Company's external auditor,
- assessing the performance and independence of the Company's external auditors, including confirming that provision of non-audit services by the Company's external auditors has not compromised the auditor's independence (if the Company's external auditor provides non-audit services),

- reporting to the Board the results of the Audit and Risk Committee's review of the Company's risk management, internal controls and compliance systems and processes,
- monitoring, reviewing and assessing the propriety of related party transactions, and
- implementing comprehensive risk management systems across the Company.

The Board meets with the external auditor without management present on general matters concerning the audit and the financial management of the Company.

The Board reviews the performance of the external auditor, generally after the release of the annual financial statements, to ensure that the auditor has provided an efficient and effective audit. The Board is responsible for the removal of the auditor if, in its opinion, the auditor is not meeting the standards required. The appointment of new auditors would also be recommended by the Board. Partner rotation complies with the requirements of the *Corporations Act 2001*.

Recommendation 4.2 CEO and CFO Declarations – Compliant

The Company requires the Executive Chairman and CFO to provide the Board with their written opinion stating:

- that 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 of the entity in accordance with Section 295A of the *Corporations Act 2001*, and
- that this opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Recommendation 4.3 Verification of Corporate Reports Not Audited – Compliant

Any periodic corporate reports that are released to the market are prepared or reviewed by the Company's CFO. In relation to the Quarterly Cashflow Report, the Executive Chairman and CFO make a declaration that:

- the financial records of the Group have been properly maintained in accordance with Section 286 of the *Corporations Act 2001*,
- the financial statements on which the Quarterly Cashflow Report is based are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board, and
- the Company's risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

PRINCIPLE 5

**MAKING TIMELY AND
BALANCED DISCLOSURES****Recommendation 5.1 Continuous Disclosure
Policy – Compliant**

The Board has approved a Continuous Disclosure Policy that sets out what information must be disclosed, what exemptions may apply and the importance of confidentiality. The policy is applicable to all directors and employees and details how to report potentially disclosable information.

Personnel who are authorised to speak on behalf of the Company are approved by the Chairman and the policy imposes restrictions on the content and timing of briefings.

The ASX Continuous Disclosure Policy is listed on the Company's website www.kglresources.com.au.

**Recommendation 5.2 Advice of Market
Announcements – Compliant**

All directors receive a copy of the final version of all material market announcements and provide their approval prior to its release to the ASX. After the directors provide confirmation, the announcement is released to the market.

**Recommendation 5.3 Company Presentations –
Compliant**

The Company regularly updates its corporate presentations used for investors, the annual general meeting and conferences, and provides the ASX with copies of this material prior to the presentations. Additionally, for annual general meetings, the Company provides a written transcript of the Chairman's address to these meetings.

PRINCIPLE 6

**RESPECTING THE RIGHTS OF
SECURITY HOLDERS****Recommendation 6.1 Company Details and
Governance of Website – Compliant**

The Company's website contains detailed information about its business and projects. Details of the Board members and executive team are also disclosed.

The investor page provides helpful information to the shareholders. It allows shareholders to view all ASX and media releases, copies of annual reports and quarterly activities and cashflow statements.

The website also contains the following corporate governance documents:

CONSTITUTION AND CHARTERS

- KGL Resources Constitution
- Board Charter
- Audit and Risk Committee Charter
- Remuneration Committee Charter.

POLICIES AND STANDARD

- Anti-Bribery & Corruption Policy
- ASX Continuous Disclosure Policy
- Code of Conduct
- Diversity and Inclusiveness Policy
- Privacy Policy
- Securities Trading Policy
- Whistle-blower Policy
- Work Health and Safety Policy.

**Recommendation 6.2 Investor Relations Program –
Compliant**

The Company takes measures to keep shareholders informed about its activities, provides investor presentations as appropriate and listens to issues or concerns raised by shareholders.

Information is communicated to the members through compliance with ASX Listing Rules and the *Corporations Act 2001* by way of the Annual Report, Half-Yearly Report, Quarterly Activities Reports, Appendix 5B Cashflow Reports, the annual general meeting and other meetings that may be called to obtain approval for Board recommendations. In addition to this the Company releases regular progress reports and presentations to the ASX to keep members abreast of developments.

The Company also maintains a website – www.kglresources.com.au – where all of the Company's ASX announcements and media releases can be viewed at any time.

**Recommendation 6.3 Participation at Meetings of
Security Holders – Compliant**

Notices of meeting sent to shareholders comply with the 'Guideline for Notices of Meeting' issued by the ASX. In relation to the annual general meeting (AGM), shareholders are encouraged to submit questions before the meeting.

The Chairman encourages shareholders at the AGM to ask questions or make comments about the Company's projects and the performance of the Board and senior management. The Chairman may respond directly to the questions or, at his discretion, refer the question to another director or executive.

For recent meetings, the Company has made video links available to shareholders to view the proceedings of the shareholder meetings.

Recommendation 6.4 Security Holder Resolutions – Compliant

The Company held its annual general meeting in November 2024 with all resolutions being decided by poll. It is the Company's intention to have all resolutions, not only those considered to be substantive, decided by a poll at all future meetings.

Recommendation 6.5 Electronic Communications – Compliant

The Company's Share Registry provides shareholders with an opportunity to register an email address to receive electronic communication of information provided by the Share Registry e.g. advice on Entitlement Offers, Notices of Meetings. At least once per year, the Share Registry dispatches documents to shareholders encouraging their participation in electronic distribution.

Additionally, the Company provides a subscription service whereby subscribers can receive advice of ASX announcements after their release to the market.

PRINCIPLE 7

RECOGNISING AND MANAGING RISK

Recommendation 7.1 Risk Committee – Not Compliant

At this point in time, the Board comprises three directors. The Board considers that it is more efficient to deal with matters relating to risk at the full Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Audit and Risk Committee, which comprises the functions of a Risk Committee will be re-formed. The Audit and Risk Committee Charter is listed on the Company's website under the Corporate Governance section.

In the absence of the committee, the matters dealt with by the Board in relation to risk include:

- the Company's risk profile and risk policies,
- the effectiveness of the Company's system of internal control and framework for risk management, and
- the Company's compliance with applicable legal and regulatory obligations.

The Audit and Risk Committee Charter details the following responsibilities that are now also dealt with by the Board as a whole:

- reporting to the Board the results of the Audit and Risk Committee's review of the Company's risk management, internal controls and compliance systems and processes,

- ensuring that management has implemented a structured and comprehensive risk management system across the Company,
- reviewing, and approving for recommendation to the Board, guidelines and policies governing the oversight and management of the Company's material business risks, including the processes by which management assesses, manages and controls the Company's exposure to risk, and
- monitoring material changes to the Company's risk profile.

The Board has reviewed the risk management framework provided by management.

Recommendation 7.2 Risk Management Framework – Compliant

As part of the Jervois Feasibility Study Update and the ongoing project advancement activities, management have undertaken a comprehensive risk analysis resulting in a Risk schedule covering Corporate, Project Delivery and Operation Risk. This Risk Schedule has recently been presented to the Board with the focus on those events with the highest risk ratings and mitigating actions required.

Recommendation 7.3 Internal Audit Function – Compliant

The Company does not have an internal audit function and considers this appropriate for the size of the Company and the stage of its development.

The Board as a whole receives and considers reports on, and monitors and discusses, known and emerging risk and compliance issues, including non-financial, operational and other business risks.

The Company's management is directly responsible for risk management in its respective areas of accountability.

Operational, financial, legal, compliance, strategic and reputational risks continue to be managed primarily by the directors and where appropriate, these risks are managed with the support of relevant external professional advisers. The Board receives monthly reports to ensure that management is appropriately addressing the risks to the Company. Specifically, a compliance register is presented in each monthly report detailing the major items that the Company must adhere to. The register provides specifics of actions taken to ensure compliance.

Recommendation 7.4 Material Exposure to Environment or Social Risks – Compliant

Material environmental and social risks are dealt on pages 30 to 32 of the Directors' Report.

PRINCIPLE 8

REMUNERATING FAIRLY AND RESPONSIBLY**Recommendation 8.1 Remuneration Committee – Not Compliant**

At this point in time, the Board comprises three directors. The Board considers that it is more efficient to deal with matters relating to remuneration at a Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Remuneration and Nomination Committee, which comprises the functions of a Remuneration Committee will be re-formed. The Remuneration and Nomination Committee Charter is listed on the Company's website under the Corporate Governance section.

In the absence of the committee, the matters dealt with by the Board in relation to remuneration include:

- the integrity of the Company's remuneration practices,
- the Company's remuneration, including the remuneration of executives, and
- the Company's compliance with applicable legal and regulatory obligations.

The Board, with the assistance of management, reviews the following items at least annually:

- remuneration levels of the Board and senior management and recommending changes as appropriate,
- management incentive schemes including employee short-term and long-term incentives,
- the identification of material risks insofar as they relate to remuneration matters, and
- the review and recommendation of guidelines and policies for the management of material business risks.

Recommendation 8.2 Remuneration Policies and Practices – Compliant

The Company has developed a Remuneration Policy for executives and directors. This ensures a clear distinction is maintained between the structure of non-executive directors' remuneration and that of executive directors and other senior executives.

The objectives of the policy are as follows:

- to attract, retain and motivate key executives who will generate value for shareholders,
- to ensure that remuneration is fair and reasonable having regard to the performance of the Company and the relevant executive,
- to ensure effective benchmarking of total annual remuneration for executives in accordance with market practices for a clearly defined peer group of comparable companies to ensure remuneration is fair and competitive,
- to reward individual and group performance objectives thus promoting a balance of individual performance and teamwork across the executive management team, and
- to comply with applicable securities and corporate law and ASX Listing Rules.

Recommendation 8.3 Equity Based Remuneration Policy – Compliant

The Company has a Securities Trading Policy. This policy strictly prohibits directors and employees from entering into any transaction that is designed to limit the economic risk of a holding in unvested KGL Resources Limited securities.

A full copy of the Securities Trading Policy can be found on the Company's website

www.kglresources.com.au.