

29 September 2023

Corporate Governance Statement

Approach to Corporate Governance

Liontown Resources Limited ACN 118 153 825 (**Liontown** or the **Company**) has established a corporate governance framework designed to ensure that the Company is effectively managed, regulatory obligations are met and that the Company is managed in an appropriate manner to meet the expectations of stakeholders.

This Corporate Governance Statement outlines the main features of our governance framework reporting against the recommendations contained in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition (Principles & Recommendations). The Company follows each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The directors of the Company (**Directors**, being either Non-Executive Directors or Executive Directors) are responsible to the shareholders for the performance of the Company in both the short and the longer term and seek to balance sometimes competing objectives in the best interests of the Company as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Company is properly managed.

Details of the Company's governance related documents can be found on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

This Corporate Governance Statement is current as at 29 September 2023 and has been approved by the Board.

Principle 1 – Lay Solid Foundations for Management and Oversight

Recommendation 1.1: Board Charter – Roles and Responsibilities

Complies with Recommendation? Yes

The Board is responsible for the overall corporate governance and performance of the Company. The Board has delegated to the Managing Director and management team matters involving corporate strategy and management of the business. The Board has adopted a *Board Charter* that defines the respective roles and responsibilities of the Board and management.

The role of the Board is to provide leadership for, and oversight of, the Company's management. The Board defines the purpose and sets the strategic objectives of the Company, and regularly measures the progression by management of those strategic objectives. Other matters expressly reserved for the responsibility of the Board include:

- Appointing the Company's chair;
- Appointing and replacing the chief executive officer;
- Approving the appointment and removal of the company secretary and other senior executives;
- Approving the Company's values and Code of Conduct;
- Satisfying itself that the Company's remuneration policies are aligned with its purpose, values, strategic objectives and risk appetite;
- Overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company;
- Monitoring the effectiveness of the Company's governance practices; and
- Satisfying itself that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate.

The role of management includes:

- Implementing the strategic objectives and operating within the values, Code of Conduct, budget and risk appetite set by the Board;
- Undertaking the day to day running of the Company, in accordance with the materiality thresholds set by the Board; and
- Providing the Board with accurate, timely and clear information on the Company's operations to enable the Board to perform its responsibilities.

Further information on the roles and responsibilities of the Board and management can be found in the Company's Board Charter which is available at <https://www.ltresources.com.au/about/corporate-governance>.

Recommendation 1.2: Director Information and Background Checks

Complies with Recommendation? Yes

The Company undertakes appropriate checks before appointing a director or senior executive or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The checks which are undertaken, and the information provided to shareholders are set out in the Company's Policy and Procedure for the Selection and (Re)Appointment of Directors and Senior Executives, which is available at <https://www.ltresources.com.au/about/corporate-governance>.

The Company provided shareholders with all material information in its possession relevant to the decision on whether or not to re-elect Mr Anthony Cipriano and to elect Mr Shane McLeay and Ms Adrienne Parker at the Company's 2022 Annual General Meeting in the notice of meeting.

Recommendation 1.3: Director and Senior Executive Agreements

Complies with Recommendation? Yes

The Company has in place a written agreement with each director which outlines the terms of their appointment, duties and responsibilities, time commitment and compliance with Company policies, procedures and regulatory requirements. In addition, the agreement sets out the indemnity and insurance arrangements that the Company has in place and the Company's policy on Director's access to information and seeking external independent professional advice.

The Company has in place written agreements with each Senior Executive which sets out the terms of their appointment, a description of their position, duties and responsibilities, remuneration details and the circumstances giving rise to termination.

The requirement to have written agreements in place with each director and senior executive can be found in the Company's Policy and Procedure for the Selection and (Re)Appointment of Directors and Senior Executives, which is available at <https://www.ltresources.com.au/about/corporate-governance>.

Any material variations to the Directors' and Managing Director's agreements are disclosed in accordance with ASX Listing Rule 3.16.4.

Recommendation 1.4: Company Secretary

Complies with Recommendation? Yes

The Company Secretary is accountable directly to the Board, through the Chair, on all matters supporting the effectiveness of the Board and its committees. Each director is able to communicate directly with the Company Secretary. Further details on the role of the Company Secretary are outlined in the Company's *Board Charter* which is available at <https://www.ltresources.com.au/about/corporate-governance>.

Mr Clint McGhie was appointed Company Secretary on 5 May 2021. Details of Mr McGhie's qualifications and experience are set out in the Directors' Report contained within the Company's 2023 Annual Report.

Recommendation 1.5: Diversity

Complies with Recommendation? Yes

The Company has a Diversity Policy which is available at <https://www.ltresources.com.au/about/corporate-governance>.

The Diversity Policy provides that the Board may establish measurable objectives that are appropriate for the Company for achieving gender diversity. These measurable objectives may include appropriate and meaningful benchmarks that are able to be, and are, measured and monitored for effectiveness in addressing any gender imbalance issues in an organisation.

The Board has adopted the following measurable objective with respect to Board representation for the reporting periods ended 30 June 2023 and 30 June 2024:

Objective	Measure
Improve current female Board representation	At least 30% of Directors on the Board are female by 30 June 2024

Female representation on the Board as at 30 June 2023 was 28.6% (2022: 14%).

The Company recognises that valuing diversity will contribute to the Company's culture and performance, and assist in attracting, retaining and motivating talented employees. We are committed to actively promoting diversity at all levels of the organisation and will examine additional measurable objectives for future periods.

The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation are set out in the following table. "Senior Executive" for these purposes means Key Management Personnel and officers of the Company.

	Proportion of women as at 30 June 2023
Whole organisation	43 out of 138 (31%)
Senior executive positions	0 out of 4 (0%)
Board	2 out of 7 (28.6%)

The Company was not a "relevant employer" under the Workplace Gender Equality Act (WGEA) as at 31 March 2023. The Company will make its first disclosure under the WGEA for the period ended 31 March 2024.

Recommendation 1.6: Board and Managing Director Performance

Complies with Recommendation? Yes

The Chair is responsible for the evaluation of the Board and, when appropriate, Board committees and individual directors in accordance with the Company's *Process for Performance Evaluations*. The Chair is responsible for evaluating the Managing Director.

The evaluation of the Board, individual directors and the Managing Director is undertaken annually by each director completing a questionnaire which is then evaluated by the Chair. Any issues arising are addressed by the Chair with the Board.

An evaluation of the Board, individual directors and the Managing Director in respect of the Reporting Period took place in accordance with the process disclosed in the Company's *Process for Performance Evaluations*.

Recommendation 1.7: Senior Executive Performance

Complies with Recommendation? Yes

The Managing Director and Chairman is responsible for evaluating the performance of senior executives in accordance with the process disclosed in the Company's *Process for Performance Evaluations*. This is conducted by informal interviews, and via ongoing contact between the Managing Director, the Chairman and the senior executives. As the Company grows, it will review the need for a formal evaluation process.

A performance evaluation on senior executives in respect of the Reporting Period took place in accordance with the process disclosed in the Company's *Process for Performance Evaluations*.

Principle 2 – Structure the Board to Add Value

Recommendation 2.1: Nomination Committee

Complies with Recommendation? Yes

The Board has not established a separate Nomination Committee.

Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Nomination Committee. Accordingly, the Board performs the role of the Nomination Committee. Although the Board has not established a separate Nomination Committee, it has adopted a *Nomination Committee Charter* which is available at <https://www.ltresources.com.au/about/corporate-governance>. The *Nomination Committee Charter* describes the role, composition, functions and responsibilities of the full Board in its capacity as the Nomination Committee.

When the Board convenes as the Nomination Committee it carries out those functions which are delegated to it in the Company's *Nomination Committee Charter*, including but not limited to succession planning and board composition. Items that are usually required to be discussed by a Nomination Committee are marked as separate agenda items at Board meetings when required.

The Board deals with any conflicts of interest that may occur when convening in the capacity of the Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

As noted above, the full Board carries out the role of the Nomination Committee. The full Board convened once as a Nomination Committee during the Reporting Period, and discussed the identification, assessment and appointment of a new independent Director.

Recommendation 2.2: Board Skills Matrix

Complies with Recommendation? Yes

During the Reporting Period, the Board reviewed its *Board Skills Matrix*. The methodology used to develop the skills matrix involved determining the desired skills and experience considered appropriate to implement the Company's strategy and key issues facing the Company. The Board seeks to ensure that it has an extensive, diverse and relevant skill set.

Each Director was asked to grade their experience, capability and knowledge in respect of each identified skill using an assessment scale of 0 to 5, with 0 being no competency and 5 being a recognised industry expert. A level of 3 or above indicates a 'well developed competency' to participate in Board level decision making.

The following table sets out the identified skills/experience, capability and knowledge requirements that comprise the Company's *Board Skills Matrix* and the number of Directors that have been assessed in each category to a minimum level of 3. At the end of the Reporting Period there were seven Director's in total (including the Managing Director).

Category	Experience, capability and knowledge requirements	Number of Directors with a competency level of three or above.
Leadership and People Management	Significant Board and/or Executive experience in a publicly listed company or large organisation, with a proven track record of effective leadership and management of multi-disciplined teams.	7
Strategic Planning, Business Development and Commercial	Formulating, assessing and executing strategic vision, objectives, business models and relevant financial metrics. Knowledge of industry competitive landscape, key risks, capability requirements and strategic planning processes.	7
Corporate Transactions	Planning and execution of equity or debt capital raisings, mergers, acquisitions, joint ventures, de-mergers and takeover defence.	5
Financial	Evaluating financial statements, understanding key financial drivers of a business, corporate finance (including debt and equity capital markets) and assessment of financial risks and controls.	7
Governance and Compliance	Formulating, implementing and overseeing of organisation-wide governance and compliance systems, processes, policies and frameworks. Knowledge of governance issues, including the legal, compliance and regulatory environment applicable to publicly listed entities.	6
People, Culture and Remuneration	Establishing and overseeing organisation-wide capabilities, remuneration frameworks, performance assessment, people management and company culture, mindsets and behaviours.	7
Investor Relations	Drafting and delivery of public announcements, other shareholder communications, market research / analysis and presentations at industry events / conferences.	6
Risk Management	Formulating risk management frameworks and controls, setting appropriate risk appetite, identifying and providing oversight of key business risks (both financial and nonfinancial).	7
Health and Safety	Formulating and implementing health and safety management systems, risk identification and mitigation processes, performance monitoring and governance.	7
Environment	Formulating and managing environment policies, standards, practices and implementation of environmental impact mitigations for mining projects.	6
Environment, Social and Governance (ESG) Strategy	Overarching strategic ESG knowledge, and formulation, implementation and assessment of ESG strategy.	7
Community and Government Relations	Formulating and implementing stakeholder engagement and management strategies. Local, State and Federal Government and regulatory management.	6
Geology and Exploration Targeting	Base, precious and rare metal mineral systems, geology and targeting. Design, planning and execution of mineral exploration programs.	4
Exploration and Resources Definition	Base, precious and rare metal geology, resource and reserve measurement and classifications. Design, planning and execution of resource definition drilling programs and related activities.	3

Category	Experience, capability and knowledge requirements	Number of Directors with a competency level of three or above.
Metallurgy and Mineral Processing	Base, precious and rare metal mineralogy, metallurgy and marketing. Design, testing and optimisation of metallurgical flowsheet, processing facility and offtake.	2
Project Studies and Engineering	Formulation and execution of mining scoping and feasibility studies to define and assess project scope, economic potential, financing options and risk factors.	4
Project Design and Construction	Planning, management and execution of large-scale mining project construction, including financial assessment, contracting, procurement, engineering and risks.	4
Mining Operations and Decommissioning	Managing and operating mid to large scale mining operations in base and/or precious metals, including mining engineering, mineral processing, logistics and operational management.	4

The Board skills evaluation undertaken demonstrates that the Board is comprised of members that possess a diverse range of skills with significant experience in the majority of areas. The Board will continue to assess the mix of skills required to implement the Company's strategy and where considered appropriate will seek to enhance the overall strength of the Board across the identified skills/experience, capability and knowledge requirements through any casual vacancies arising from Board succession and/or increasing the number of Directors on the Board.

A profile of each director setting out their skills, experience, expertise and length of service is set out in the Directors' Report contained in the Company's 2023 Annual Report.

Recommendation 2.3: Director's Independence

Complies with Recommendation? Yes

The Board's approach to Director independence is set out in its *Policy on Assessing Independence of Directors* which states that to be judged independent, a director must, in the opinion of the Board, be free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Liontown as a whole rather than in the interests of an individual security holder or any other person.

The Board considers the independence of directors having regard to the *Policy on Assessing Independence of Directors* and the relationships listed in Box 2.3 of the Principles & Recommendations. To the extent that it is necessary for the Board to consider issues of materiality, the Board refers to the thresholds for qualitative and quantitative materiality as adopted by the Board and contained in the *Board Charter*, which is available at <https://www.ltresources.com.au/about/corporate-governance>.

The Board has undertaken a review of Directors during the Reporting Period and determined the following:

Director Name	Position	Independent?	Length of Service (as at 30 June 2023)
Mr Tim Goyder	Chairman	No	17.4 years
Mr Tony Ottaviano	Managing Director	No	2.2 years
Mr Anthony Cipriano	Lead Independent Non-Executive Director	Yes	9.0 years
Mr Craig Williams	Non-Executive Director	Yes	16.6 years
Ms Jennifer Morris	Non-Executive Director	Yes	1.6 years
Mr Shane McLeay	Non-Executive Director	Yes	1.2 years
Ms Adrienne Parker	Non-Executive Director	Yes	0.7 years

Mr Goyder is not considered independent as he is a substantial shareholder of the Company.

Mr Ottaviano is not considered independent as he is engaged in an executive capacity as Managing Director.

The Board considers that Mr Anthony Cipriano, Mr Craig Williams, Ms Jennifer Morris, Mr Shane McLeay and Ms Adrienne Parker are independent as they are non-executive directors who are not members of management and are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement, as discussed further below.

Mr Cipriano previously provided corporate, financial advisory services and general support services to the Managing Director, Tony Ottaviano, until 31 December 2021 as the Company transitioned from exploration to development. The Board considers that the services provided were not of sufficient quantum or value, nor were they provided for a prolonged period, that they would be considered sufficiently material to impact Mr Cipriano's independent judgement and consideration on issues brought to the Board. Accordingly, the Board has classified Mr Cipriano as an independent director.

Mr Williams has been a non-executive Director of the Company since 2006 and has a deep understanding of the business along with extensive technical and corporate experience. The Board has considered Mr Williams' length of service as a Director and is of the view that it does not compromise Mr Williams' capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity and its security holders generally. On this basis, the Board has classified Mr Williams as an independent director.

Mr McLeay is the Managing Director and beneficial shareholder of Entech Pty Ltd (Entech), a mining consulting company who have supplied professional services to the Company to the value of \$84,830 during the year ended 30 June 2023 on an arms-length basis. The Board considers that the services provided were not of sufficient quantum or value that they would be considered sufficiently material to impact Mr McLeay's independent judgement and consideration on issues brought to the Board. Accordingly, the Board has classified Mr McLeay as an independent director.

Recommendation 2.4: Majority of Independent Directors

Complies with Recommendation? Yes.

The Board had a majority of independent directors for the whole of the reporting period.

As at 30 June 2023 five of the seven directors were considered independent.

The Board continues to review its composition and as the Company's activities evolve it will appoint further independent directors when considered appropriate.

Recommendation 2.5: The Chair of the Board

Complies with Recommendation? No

The Chair of the Board is Mr Tim Goyder.

Mr Goyder is not considered independent as he is a substantial shareholder and therefore does not satisfy box 2.3 of the Principles and Recommendations. The Board believes that Mr Goyder is the most appropriate person for the position of Chair of the Board.

The Board has appointed Mr Anthony Cipriano to act as lead independent director when any conflicts or perceived conflicts of interest arise. The role and responsibilities of the Lead Independent Director are contained in the *Board Charter* which is available at <https://www.ltresources.com.au/about/corporate-governance>.

Recommendation 2.6: Board Induction and Professional Development

Complies with Recommendation? Yes

The Company has an induction program for new directors appointed to the Board. The goal of the program is to assist new directors to participate fully and actively in Board decision-making at the earliest opportunity.

The Board annually reviews whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and the Board committees effectively using a Board Skills Matrix. Where any gaps are identified, the Board considers what training or development should be undertaken to fill those gaps. Refer to Recommendation 2.2 for further information on the Board Skills Matrix.

Principle 3 – Act Ethically and Responsibly**Recommendation 3.1: Values**

Complies with Recommendation? Yes

The Company's core values of Safety, Sustainability, Integrity, Respect, Ambition and Sense of Team are the fundamental beliefs upon which Liontown's business is based. These values set the expectation for employee mindsets and behaviours to support its vision and strategy. The Board and senior executives review the appropriateness of the Company's values regularly.

The Company's values are detailed in the *Code of Conduct* which is available at <https://www.ltresources.com.au/about/corporate-governance>.

Recommendation 3.2: Code of Conduct

Complies with Recommendation? Yes

The Company has established a *Code of Conduct* that sets out standards for appropriate ethical and professional behaviour that applies to all directors, senior executives and employees. A copy of the *Code of Conduct* is available at <https://www.ltresources.com.au/about/corporate-governance>.

Material breaches of the *Code of Conduct* must be reported to the Board.

Recommendation 3.3: Whistleblower Protection Policy

Complies with Recommendation? Yes

The Company has established a *Whistleblower Policy* to encourage the reporting of suspected unethical, illegal, fraudulent or violations (or suspected violations) of the Company's Code of Conduct and provide effective protection from victimisation or dismissal to those reporting by implementing systems for confidentiality and report handling.

A copy of the *Whistleblower Policy* is available on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

Material incidents reported under the *Whistleblower Policy* must be reported to the Board.

Recommendation 3.4: Anti-Bribery and Corruption Policy

Complies with Recommendation? Yes

The Company has established an Anti-bribery and Corruption Policy to establish a governance framework and business practices to mitigate the risk of bribery and corruption within the jurisdictions where it operates. A copy of the Anti-bribery and Corruption Policy is available on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

Material breaches of the Anti-bribery and Corruption Policy must be reported to the Board.

Principle 4 – Safeguard Integrity in Corporate Reporting**Recommendation 4.1: Audit Committee**

Complies with Recommendation? Yes.

The Board has established an Audit Committee with three independent directors.

The Audit Committee held three meetings during the Reporting Period. Details of director attendance at the Audit Committee meetings during the Reporting Period are set out in a table in the Directors' Report contained within the Company's 2023 Annual Report.

Details of each of the director's qualifications are set out in the Directors' Report. Anthony Cipriano (Chair) is a member of the Chartered Accountants Australia and New Zealand, whilst Shane McLeay and Adrienne Parker are financially literate and have a deep understanding of the industry in which the Company operates.

The Board has adopted an *Audit Committee Charter* which describes the Audit Committee's role, composition, functions and responsibilities. The *Audit Committee Charter* is reviewed annually and is available on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

The Company has also established a *Procedure for the Selection, Appointment and Rotation of its External Auditor*. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Board.

Recommendation 4.2: Executive Assurance to the Board

Complies with Recommendation? Yes

Before the Board approved the Company's financial statements for the half year ended 31 December 2022, the full-year ended 30 June 2023 and each of the quarters ending 30 September 2022, 31 December 2022, 31 March 2023 and 30 June 2023, it received from the Managing Director and the Chief Financial Officer a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the financial statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated 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.

Recommendation 4.3: Processes for Verification of Non-Audited Periodic Reports

Complies with Recommendation? Yes

Where periodic corporate reports are not audited or reviewed by an external auditor, the Company ensures it employs processes which minimise the chance of error in the report. The processes employed involves a review by the relevant internal stakeholder culminating in an internal sign-off that the portion of the report to which they have contributed is accurate prior to receiving approval by the Board.

Principle 5 – Make Timely and Balanced Disclosures

Recommendation 5.1: Continuous Disclosure Policy

Complies with Recommendation? Yes

The Company has established written policies and procedures for complying with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules. A summary of the Company's *Policy on Continuous Disclosure and Compliance Procedures* are disclosed on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

Recommendation 5.2: Provision of Announcements to the Board after Release

Complies with Recommendation? Yes

The Company Secretary is responsible for ensuring that all material ASX Announcements are provided to the Board promptly after release.

Recommendation 5.3: Investor or Analyst Presentations

Complies with Recommendation? Yes

All new and substantive investor and analyst presentations provided by the Company are lodged with the ASX prior to the presentation in accordance with the Company's *Policy on Continuous Disclosure and Compliance Procedures* which are disclosed on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

Principle 6 – Respect the Rights of Security Holders**Recommendation 6.1: Communication with Security Holders - Website**

Complies with Recommendation? Yes

The Company provides information about itself and its governance to investors via its website at www.ltresources.com.au as set out in its *Shareholder Communication and Investor Relations Policy*.

Recommendation 6.2: Investor Relations Program

Complies with Recommendation? Yes

The Company has designed and implemented an investor relations program to facilitate effective two-way communication with investors. The program is set out in the Company's *Shareholder Communication and Investor Relations Policy* which is available at <https://www.ltresources.com.au/corporate-governance>.

Recommendation 6.3: Security Holder Participation at Meetings

Complies with Recommendation? Yes

The Company has in place a *Shareholder Communication and Investor Relations Policy* which outlines the policies and processes that it has in place to facilitate and encourage participation at meetings of shareholders.

The Chair of a meeting of shareholders will allow a reasonable opportunity for members to ask questions about or make comments on the management of the Company. Those members who are not able to attend the meeting and exercise their rights under section 250S of the Corporations Act, are given the opportunity to provide questions or comments before the meeting. Where appropriate, these questions or comments will be answered at the meeting, either by being read out and then responded to at the meeting, or by providing a transcript of the question and a written answer at the meeting.

Recommendation 6.4: Polls

Complies with Recommendation? Yes

It is the practice of the Company that at all security holder meetings, including the AGM, the outcomes of resolutions are decided by a poll rather than a show of hands.

Recommendation 6.5: Electronic Communications

Complies with Recommendation? Yes

Security holders are given the option and are encouraged to receive communications from, and send communications to, the Company and its share registry, Computershare Investor Services, electronically.

The Company provides security holders the option to receive communications from, and send communications to, the Company and its share registry electronically by registering their email address online with Computershare at <https://www.computershare.com.au/easyupdate/LTR>.

Security holders and other stakeholders can register on the Company's website to receive information updates about the Company at www.ltresources.com.au.

Principle 7 – Recognise and Manage Risk**Recommendation 7.1: Risk Management Committee**

Complies with Recommendation? Yes

The Board has established a separate Sustainability & Risk Committee.

The Sustainability & Risk Committee consists of three members, namely Ms Adrienne Parker (Chair), Ms Jennifer Morris and Mr Shane McLeay who are all independent non-executive directors.

The Sustainability & Risk Committee held two meetings during the Reporting Period. Details of director attendance at the Sustainability & Risk Committee meetings during the Reporting Period are set out in the table in the Directors' Report contained within the Company's 2023 Annual Report.

The Board has adopted a *Sustainability & Risk Committee Charter* which describes the role, composition, functions and responsibilities of the Sustainability & Risk Committee. The *Sustainability & Risk Committee Charter* is disclosed on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

Prior to the establishment of the Sustainability & Risk Committee, the Board performed the role of Risk Committee.

Recommendation 7.2: Risk Management Framework – Review at least Annually

Complies with Recommendation? Yes

The Sustainability & Risk Committee was established during the reporting period and meets quarterly. The Sustainability & Risk Committee reviews the Company's risk management framework at each meeting to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board. Prior to establishment of the Sustainability & Risk Committee, the Board carried out these reviews during the Reporting Period in line with the Risk Management Policy.

Recommendation 7.3: Internal Audit Function

Complies with Recommendation? Yes

The Company does not have an internal audit function. The Board considers that the current size and nature of the Company's operations does not necessitate the need for an internal audit function at this time.

To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Company's *Risk Management Policy*.

Recommendation 7.4: Material Exposure to Environmental or Social Sustainability Risks

Complies with Recommendation? Yes

The Company identifies and manages material exposure to environmental and social risks in a manner consistent with its Risk Management Policy, which is available at <https://www.ltresources.com.au/about/corporate-governance>. The Company has, and continues to, undertake various organisation wide risk reviews to identify potential business risks. The effectiveness of the controls in place to address each risk is reviewed on a regular basis and, where the residual risk is considered outside of acceptable limits, further controls and risk mitigation measures are developed and implemented.

As a lithium development company, there are a number of material environmental or social sustainability risks that could adversely affect the Company and the achievement of the Company's strategic objectives. The Company believes that a strong focus on Environmental, Social, and Governance (ESG) matters are integral to how the Company operates and its overall business strategy.

Environmental: The Company is subject to, and responsible for, ensuring compliance with various regulations, licenses, approvals and standards so that its activities do not cause unauthorised environmental harm. Through its ongoing management of environmental activities, the Company expects to be able to operate in an environmentally sustainable and responsible manner.

Social: The Company recognises that a failure to manage stakeholder expectations may lead to disruption to the Company's operations. The Company works closely with the various stakeholders in the region in which it operates. During the reporting period, the Company has engaged with Native title Holders (Tjiwarl) through formal negotiations, multiple site heritage and archaeological surveys and executed a formal Native Title Agreement for the Kathleen Valley Project.

During the reporting period, the Company released its second sustainability report in-line with GRI Standards and consideration of SASB, TCF standards and SDG goals to ensure transparent assessment and reporting in line with ESG guidelines.

Principle 8 – Remunerate Fairly and Responsibly

Recommendation 8.1: Remuneration Committee

Complies with Recommendation? Yes

The Board established a separate Remuneration Committee.

The Remuneration Committee consists of three members, namely Ms Jennifer Morris (Chair), Mr Anthony Cipriano, and Mr Tim Goyder who are all non-executive directors. The majority of the Remuneration Committee members are independent, namely Ms Jennifer Morris (Chair) and Mr Cipriano.

The Remuneration committee held three meetings during the Reporting Period. Details of director attendance at the Remuneration Committee meetings during the Reporting Period are set out in a table in the Directors' Report contained within the Company's 2023 Annual Report.

The Board has adopted a *Remuneration Committee Charter* which describes the role, composition, functions and responsibilities of the Remuneration Committee. The *Remuneration Committee Charter* is disclosed on the Company's website at <https://www.ltresources.com.au/about/corporate-governance>.

Recommendation 8.2: Remuneration of Executive and Non-Executive Directors and other senior executives

Complies with Recommendation? Yes

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report within the Company's 2023 Annual Report.

The Company's policy on remuneration clearly distinguishes the structure of non-executive directors' remuneration from that of executive directors and senior executives.

Non-executive directors are remunerated at a fixed fee for time, commitment and responsibilities. Remuneration for non-executive directors is not linked to individual performance, however, non-executive directors, at the discretion of the Board may participate in the Company's Employee Securities Incentive Scheme (subject to shareholder approval). No non-executive directors participated in the Company's Employee Securities Incentive Scheme during the reporting period. There are no termination or retirement benefits for non-executive directors (other than for superannuation).

Apart from their duties as directors, some non-executive directors may undertake work for the Company on a consultancy basis pursuant to the terms of any consultancy services agreement. The nature of the consultancy work may vary depending on the expertise of the relevant non-executive director. Under the terms of any consultancy agreements non-executive directors are entitled to receive a daily rate or a monthly retainer for the work performed at a rate comparable to market rates that they would otherwise receive for their consultancy services.

Pay and rewards for executive directors and senior executives consists of a base salary and may comprise performance incentives. Long term and short term performance incentives may include options or performance rights granted at the discretion of the Board and subject to obtaining the relevant approvals. Executives are offered competitive remuneration packages and are reviewed annually.

Recommendation 8.3: Economic Risks Under Equity-Based Remuneration Scheme

Complies with Recommendation? Yes

The Company's *Securities Trading Policy* includes a statement of the Company's policy on prohibiting transactions in associated products which limit the risk of participating in unvested entitlements under any equity based remuneration schemes.

The Company's *Securities Trading Policy* is available at <https://www.ltresources.com.au/about/corporate-governance>.