
Ardiden Limited – Corporate Governance Statement

Ardiden's Corporate Governance policies have been formulated to ensure that it is a responsible corporate citizen. Except where noted, Ardiden complies with all aspects of the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations 4th Edition" ("ASX Principles") and these practices were in place for the whole of the financial year. A description of the Company's main corporate governance practices is set out below.

1 THE BOARD OF DIRECTORS

The Board is responsible to shareholders for the overall Corporate Governance of the Ardiden Group including its strategic direction and performance in general. This includes establishing KPIs for management and monitoring the achievement of those KPIs in a way which ensures that the interest of shareholders and stakeholders are promoted and protected. The Board operates in accordance with the broad principles set out in its charter, which is available in the corporate governance section of the Company's website at www.ardiden.com.au.

1.1 Composition of the Board

The composition of the Board is determined in accordance with the following principles and guidelines:

- the Board should comprise a minimum of three directors and should maintain a majority of independent non-executive directors where possible;
- the Chairperson of the Board should be an independent non-executive director. In the event this independence is impaired, the Board shall appoint a Senior Independent Director, to manage conflicts of interest should they arise;
- the Board should comprise directors with an appropriate range of qualifications and expertise which is reviewed periodically through the use of a skills matrix;
- the Board should meet at least eight times per year and follow meeting guidelines set down to ensure all directors are made aware of, and have available all necessary information, to participate in an informed discussion of all agenda items.

During the year only 1 of the 3 board members was independent. This does not form a majority as recommended in the ASX Principles however the Board has determined that size of the board is appropriate given the nature and size of its business at the current stage of development. Refer below for matters impacting independence.

Names, Qualifications, Experience and Special Responsibilities

Information pertaining to the qualifications, experience, and expertise of the directors of the company as at the date of this Statement is included in the 2021 Annual Report and in the Board/Executive section on the Company's website. A summary of their roles and tenure are as follows:

Neil Hackett, Non-Executive Chairman (Appointed Director 5 June 2012 and Chairman December 2015). The Board has determined that Mr Hackett is not classified as an Independent Director of the Company because he filled the role of executive Chairman/ and shared the role of interim CEO for the period from 22 January 2019 to 30 April 2019 pending the identification and appointment of a replacement CEO. He also holds the longest tenure being 9 years. The Board has nominated P Gately as Senior Independent Director to manage any conflicts of interest as they arise.

Pauline Gately, Independent Non-Executive Director (Appointed 14 August 2018). Ms Gately is the Senior Independent Director where required.

Robin Longley, Managing Director and CEO (Appointed CEO 1 May 2019 and Managing Director 1 February 2020)

1.2 Board Responsibilities

The responsibility for the operation and administration of the Ardiden Group is delegated by the Board to the Managing Director and the executive team.

Specifically, the Board is responsible for:

- a) providing leadership to the Company by:
 - i) acting at all times in the best interests of shareholders;

Ardiden Limited – Corporate Governance Statement

- ii) defining the Company's purpose and setting its strategic objectives;
- iii) approving the Company's statement of values and code of conduct to underpin the desired culture within the Company;
- iv) always acting in a manner consistent with the Company's culture and Code of Conduct and statement of values;
- b) overseeing management in its implementation of the Company's strategic objectives, instilling of the Company's values and performance generally;
- c) appointing the Chair and, if required, the Senior Independent Director;
- d) appointing and replacing the CEO;
- e) approving the appointment and replacement of other senior executives and the Company Secretary;
- f) ensuring that an appropriate succession plan for the CEO/MD, CFO and Company Secretary is in place;
- g) approving operating budgets and major capital expenditure;
- h) overseeing the integrity of the Company's accounting systems and corporate reporting systems including the external audit;
- i) overseeing the entity's process for making timely and balanced disclosure of all material information;
- j) satisfying itself that the entity has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite within which the board expects management to operate;
- k) satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- l) ensuring that the Company's remuneration policy is aligned with the entity's purpose, values, strategic objectives, and risk appetite.
- m) where required, challenging management, and holding it to account; and
- n) monitoring the effectiveness of the entity's governance practices.

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

1.3 Independence of Directors

The Company considers that an independent director is a non-executive director who is not a member of management and who is 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 their judgement. This independence is assessed continually throughout the year. Broadly, an independent director is a non-executive, who has not been:

- employed in an executive capacity by the entity or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the board;
- receives performance-based remuneration (including options or performance rights) from, or participates in a performance-based employee incentive scheme of, the entity;
- within the last three years, in a material business relationship (eg as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
- within the last three years an officer or employee of, or professional adviser to, a substantial holder;
- in personal ties with any person who falls within any of the categories described above; or

Ardiden Limited – Corporate Governance Statement

- a director of the entity for such a period that their independence from management and substantial holders may have been compromised.

Materiality for these purposes is assessed by the Board on both quantitative and qualitative bases giving due consideration to determine whether the director's capacity to bring an independent judgment is impaired. Generally, an amount of over 5% of the Company's expenditure is considered material.

There are procedures in place, agreed by the Board, to enable directors in furtherance of their duties to seek independent professional advice at the Company's expense.

1.4 Board Experience, Skills and Attributes Matrix

The board of directors of Ardiden actively seeks to ensure it has an appropriate mix of diversity, skills, experience and expertise to enable it to discharge its responsibilities effectively. The following table summarises the skills, and attributes of the Board during the year:

Board Skills	Subject Matter Expertise
Executive & Non-Executive experience	- accounting
Industry experience & knowledge	- capital management
Leadership	- corporate financing
Corporate governance & risk management	- industry taxation ¹
Strategic thinking	- risk management
Desired behavioural competencies	- legal
Geographic experience	- IT expertise ²
Capital Markets experience	

(1) Skill gap identified; however, mitigated by the appointment of CFO during the year and the engagement of an external taxation firm to maintain taxation requirements.

(2) Skill gap identified; however, mitigated by the engagement of an external IT firm to maintain IT requirements.

A profile of each director setting out their skills, experience and expertise is set out in the Directors' Report of the Company's 2021 Annual Report.

2 Remuneration and Nomination Committee

The Board has established a Remuneration and Nomination Committee which operates under a charter approved by the Board. A copy of the charter can be found in the corporate governance information section of the Company's website.

The Board recognises that corporate performance is enhanced when there is a Board with the appropriate competencies to enable it to discharge its mandate effectively which includes the ability to:

- Identify and evaluate the particular skills, experience and expertise that will best complement the Board's effectiveness;
- Review Board succession plans;
- Evaluate the Board's performance;
- Make recommendations for the appointment and removal of directors to the Board; and
- Review and make recommendations to the Board on executive remuneration packages and policies applicable to the senior executives and directors.

2.1 Composition of the Remuneration and Nomination Committee

The members of the Remuneration and Nomination Committee during the year were P Gately (Chair) and N Hackett. P Gately is an independent non-executive director. The Board has determined that N Hackett is not classified as an Independent Director of the Company because he filled the role of executive Chairman/ and shared the role of interim CEO for the period from 22 January 2019 to 30 April 2019 pending the identification and appointment of a replacement CEO. He also holds the longest tenure being 9 years. The qualifications of Remuneration and Nomination committee members and their attendance at meetings are detailed in the Directors' Report section of the Annual Report.

Ardiden Limited – Corporate Governance Statement

The Board has determined that two members are sufficient given the size of the company and its activities. While this is one less than the minimum of 3 outlined in the ASX Principles, the members of the Committee have considerable listed public company director experience and are able to undertake this function appropriately.

2.2 Appointment and re-election of Directors and senior executives

The Remuneration and Nomination Committee Charter outlines the process for the appointment and re-election of non-executive directors. In addition, the Constitution outlines the procedure for election and re-election of non-executive directors. Copies of the Charter and Constitution can be found on the Company website. For new appointments, appropriate background checks commensurate with the knowledge of the nominated director/executive are conducted prior to appointment, and each Board member has an opportunity to meet with the nominated candidate. When a director's nomination for election, or re-election, is being put forward for approval by shareholders at the AGM, all material information in the Company's possession that the Board considers relevant to the candidate's election as a director will be provided to shareholders in the relevant notice of meeting.

Directors submitting themselves for re-election at an annual general meeting are reviewed by the Remuneration and Nomination Committee in accordance with the charter and the Constitution.

Director and senior executive appointments are confirmed with formal letters of appointment. The letters are with each director or executive personally and set out the key terms, conditions, and expectations of their appointment.

2.3 Induction and Continuing Development of Directors

Ardiden does not have a formal induction program. The Board, in conjunction with the Remuneration and Nomination Committee, regularly reviews directors' skills, knowledge, and familiarity with the Company's operations to ascertain gaps and appropriate development opportunities to fill those gaps. In addition, the company secretary circulates professional updates designed to keep the directors abreast with regulatory topics. Ardiden's non-executive directors are Graduates of the Australian Institute of Company Directors. Directors and management also maintain membership of professional associations relevant to their roles.

3 Safeguard the Integrity of Corporate Reports

3.1 Audit & Risk Committee

The Board has established an Audit & Risk Committee, which operates under a charter approved by the Board. A copy of the charter can be found in the corporate governance information section of the Company's website at www.ardiden.com.au. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes. This includes the safeguarding of assets, particularly the Company's mineral properties and cash at bank, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility of the establishment and maintenance of a framework of internal control and ethical standards for the management to the Audit & Risk Committee.

3.2 Composition of the Audit & Risk Committee

The members of the Audit & Risk Committee during the year were P Gately (Chair) and N Hackett. P Gately is an independent non-executive director. The Board has determined that N Hackett is not classified as an Independent Director of the Company because he filled the role of executive Chairman/ and shared the role of interim CEO for the period from 22 January 2019 to 30 April 2019 pending the identification and appointment of a replacement CEO. He also holds the longest tenure being 9 years.. The qualifications of Remuneration and Nomination committee members and their attendance at meetings are detailed in the Directors' Report section of the Annual Report.

Ardiden Limited – Corporate Governance Statement

The Board has determined that two members are sufficient given the size of the company and its activities. While this is one less than the minimum of 3 outlined in the ASX Principles, the members of the Committee have considerable listed public company experience and are able to undertake this function appropriately.

3.3 External Auditor

The external auditor meets with the Audit & Risk Committee at least twice annually. In addition, the external auditor is required to attend the Annual General Meeting to answer any questions from shareholders relevant to the audit and financial statements. Nexia Perth Pty Ltd is the Company's external auditor.

3.4 Annual Certification

When considering the Audit & Risk Committee's review of financial reports, the Board receives a written statement, signed by the Managing Director, and the Chief Financial Officer, that, in their opinion, the financial records of the Company have been properly maintained and the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, and that the opinion has been formed on the basis of a sound system of risk management, and internal control which is operating effectively.

3.5 Periodic Corporate Reports

Processes are in place to verify the integrity of Ardiden's periodic corporate reports (as defined in the Principles and Recommendations) released to the market and not audited or reviewed by the external auditor.

4 Recognise and Manage Risk

The Audit and Risk Committee is responsible for overseeing the entity's risk management framework. Refer Note 3 above for roles and composition.

4.1 Risk Management Policy

The Company is subject to a number of economic, environmental, social sustainability and occupational health and safety risks, typical of those associated with a publicly listed entity engaged in mineral exploration. The identification and effective management of material business risks is viewed as an essential part of the Company's approach to creating long-term shareholder value.

The Board is responsible for determining the company's risk appetite and tolerance, identifying areas of significant business risks, and ensuring that arrangements are in place to adequately manage those risks. The Board is responsible for satisfying itself annually that the system of risk management and internal controls is sound and is operating adequately.

Management, through the Managing Director (MD), is responsible for designing, implementing and reporting on the adequacy of the Company's risk management and internal control system to the Board. All business risks are managed by the MD with the support of employees and consultants where appropriate. Ardiden does not have an internal audit function but instead relies on the processes set out in the Risk Management Policy, a copy of which can be found at www.ardiden.com.au.

The Company carries out risk management activities in a number of specific areas including Strategic, Operational, Financial Management, Social License, and Legal and Compliance. The risk management framework was reviewed during the year which included setting the risk appetite and risk identification. The intention in the current financial period is for management to identify specific risks and implement mitigating controls and a continuous programme of risk assessment to provide assurance to the Board that the risk management and internal control system is operating effectively to reduce financial reporting risks. During the current period this activity was largely limited to operational risks given the size of the company and its activities.

The Board also receives a written assurance from the Managing Director and Company Secretary that to the best of their knowledge and belief, the declaration provided by them in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system

Ardiden Limited – Corporate Governance Statement

is operating effectively in relation to financial reporting risks. The Board notes that due to its nature, internal control assurance from the MD and Company Secretary can only be reasonable rather than absolute.

5 Continuous disclosure and communication with shareholders

Ardiden has adopted a Disclosure and Communications Policy which sets out how market announcements are prepared and released. In addition, it outlines the process to facilitate timely, effective, and clear communication with shareholders.

Specifically, the policy is designed to:

- Ensure compliance with continuous disclosure requirements of the ASX Listing Rules, the Corporations Act 2001 and the procedures set down by the Board of Ardiden including review and verification of the accuracy of all public releases to the ASX of material consequence, prior to release to the market;
- Prevent selective or inadvertent disclosure;
- Establishes guidelines for the review of all public relations materials including briefings and communications in general;
- Provide clear, meaningful, and timely communication between the Company and shareholders on the activities and financial performance of the Company, to enhance the market's understanding and trust in the Company.

Ardiden uses a number of channels and technologies, including email, webcasting, and social media, to communicate promptly, transparently, and widely with its investors. Key announcements, including any new investor presentations, are distributed to the Board and those shareholders who have subscribed to email alerts as soon as reasonably practicable upon confirmation of release by the ASX. Shareholders, who wish to receive such communications, can subscribe to an email alert at www.ardiden.com.au.

Ardiden provides information about the Company, its Directors and Executives, and its governance practices on its website. The website also contains copies of all market announcements and periodic reports. In addition, shareholders can manage certain aspects of their shareholding, such as change of address, via the Investors page of the website. The Company encourages shareholders to receive communications electronically thereby securing timely receipt of information.

Shareholders are encouraged to participate in all EGMs and AGMs of the Company and provided opportunity to ask questions. The auditor is in attendance to answer questions and all substantive resolutions are decided by a poll.

A copy of the Disclosure and Communications Policy can be found at the website www.ardiden.com.au.

6 Ardiden's Values and Integrity Policies

Ardiden's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, contractors, and stakeholders is set out in the core values of the Company.

Value	How we live this value
Safety	Stop, evaluate, communicate, monitor.
Integrity	Apply integrity and honesty to everything we do
Respect	Embrace all Team Members to succeed
Intelligence	Apply best practice as a minimum
Efficiency	Work smart

Ardiden Limited – Corporate Governance Statement

6.1 Diversity

The Board is committed to workplace diversity, with a particular focus on supporting the representation of women at the board and senior executive level, as evidenced by the composition of the Board, the executive team, and staff. Despite such clear commitment, the Board does not currently have a formal policy or measurable targets as the size of Company significantly skews such information. The practice is to consider diversity in the hiring process. The Company believes its practices are appropriate for the size of the entity with 33% of the Board female, and 50% of executives. The overall composition at the date of this report is outlined below:

	Total	% of Women	% born outside Australia
Employees	3	33%	66%
Executives (including MD)	2	50%	100%
Directors (excluding MD)	2	50%	50%

6.2 Code of Conduct

The Company has a Code of Conduct which governs behaviour to support its values. The Company's Code of Conduct applies to all directors and employees. In summary, the code requires that at all times all company personnel act with the utmost integrity, objectivity and in compliance with the letter and the spirit of the law and company policies. A copy of the Code can be found at www.ardiden.com.au.

6.3 Whistleblower Policy

The Company has a Whistleblower Policy which supports Ardiden's commitment to creating and maintaining a culture of proper conduct and fair and honest dealing in its business activities. Ardiden encourages reporting of any instances of suspected unethical, illegal, fraudulent, or undesirable conduct involving the Company, and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation or reprisal. A copy of the policy can be found at www.ardiden.com.au.

6.4 Anti-Bribery & Corruption Policy

The Company has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings. The Anti-Bribery & Corruption Policy sets out the responsibilities in observing and upholding the Company's position on bribery and corruption; and provides information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues. A copy of the policy can be found at www.ardiden.com.au.

6.5 Share Trading Policy

The Company has implemented a share trading policy to outline permitted trading in Company securities by directors, employees, and consultants. The policy prohibits trading in derivatives or engaging in short-term trading and short selling. A copy of the policy can be found at www.ardiden.com.au.

7 Board remuneration and performance

Ardiden recognises that the Company's performance and success is underpinned by its ability to attract and retain suitably qualified and experienced people. The Company is committed to ensuring its Directors and employees are fairly and responsibly compensated with regard to the performance of the Company, the performance of individual employees, and the general pay environment.

7.1 Non-executive director remuneration

Non-Executive Directors are remunerated at market rates, which reflects the demands made on, and responsibilities entrusted to Non-Executive Directors to ensure maximum benefit for the Company through the retention of a high-quality Board with the relevant skills mix to optimise overall performance.

The specific objectives of the Non-Executive Director remuneration policy are to:

Ardiden Limited – Corporate Governance Statement

- (i) attract and retain appropriately qualified and experienced directors;
- (ii) remunerate directors fairly having regard to their responsibilities, including providing leadership and guidance to management;
- (iii) drive long term strategy and alignment with shareholders; and
- (iv) promote independence, impartial decision-making and to build sustainable shareholder value by encouraging a longer-term strategic perspective, by not linking fees directly to the results of the Company. Instead, Non-Executive Director fees are benchmarked to the market.

Structure

Non-executive directors' fees and payments consist of fixed base fees and, periodically, equity-based remuneration. There are no committee fees, nor are there any retirement benefits paid to Non-Executive Directors.

Base fees are reviewed regularly based on recommendations of the Remuneration and Nomination Committee, having regard to comparable remuneration levels within an aggregate fee pool limit, which is approved by shareholders. The pool limit maximum currently stands at \$250,000. It is at the discretion of the Board to distribute this pool amongst the Non-Executive Directors based on the responsibilities assumed. During the year \$132,833 of the pool was utilised.

Base fees	\$
Chair	75,000
Non-Executive Director	65,000

Base fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholders' interests and to conserve cash, from time to time, director's remuneration may include equity-based incentives. Equity based remuneration is subject to Shareholder approval in accordance with ASX listing rules.

Further details of the compensation of non-executive directors for the period ending 30 June 2021 is detailed in the Remuneration Report.

7.2 Performance review

The Remuneration and Nomination Committee is responsible for the board performance review. The review is conducted periodically through the use of questionnaires and interviews to ensure the board is meeting its obligations as outlined in the Board Charter, has an appropriate skill set to meet Ardiden's strategic objectives, and that directors are able to meet the time commitment necessarily to fulfill their obligations.

An evaluation of the Board, its committees and individual directors has not been undertaken during the year, however the Board continuously reviews its composition by comparison to the skills required to meet Ardiden's strategic objectives, as outlined in the Skills Matrix.

7.3 Executive compensation

The Board is responsible for determining and reviewing compensation arrangements and evaluating performance for the Managing Director and the CFO/Company Secretary. The evaluations consider specific criteria outlined in the position descriptions and measurement of individual key performance indicators. Performance evaluations were undertaken during the period for the Managing Director. No evaluation was undertaken for the CFO/Secretary as she only commenced on 1 February 2021.

Objective

The specific objectives of the Executive Remuneration Policy are to:

- (i) motivate executive management to manage and lead the business successfully and to drive strong long-term growth in line with the Company's strategy, its business objectives, and the creation of shareholder wealth ;
- (ii) drive successful performance by incorporating an annual performance incentive and establish longer-term performance objectives;

Ardiden Limited – Corporate Governance Statement

- (iii) ensure transparency and reasonableness in executive remuneration policy and practices;
- (iv) deliver a balanced solution addressing all elements of total annual remuneration including base salary; superannuation; benefits and short-term incentives; and
- (v) contribute to appropriate attraction and retention strategies for executives.

The elements of the Remuneration Policy are described as follows:

Executive Fixed Remuneration

Fixed remuneration is delivered as a base salary, plus superannuation contribution. This is reviewed annually by the Remuneration and Nomination Committee, or on promotion, having regard to the Company and individual performance. It is regularly compared with the external market through participation in industry salary surveys and during recruitment activities generally. If required, the Remuneration and Nomination Committee may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles. There were no changes to fixed remuneration for any KMP during the year ended 30 June 2021.

Executive Variable Pay - Short Term Incentives (STI)

The objective of short-term incentives is to align eligible employees' interests with shareholder interests. STI metrics focus on stretch performance. STI performance measures are based on both financial and other performance measures deemed appropriate for the Company. This ensures that a proportion of remuneration is tied to overall Company performance, measured annually. STIs may be paid in cash or securities at the discretion of the Board.

Variable Pay - Long Term Incentives (LTI)

The objective of long-term incentives is to reward executives in a manner which aligns with the creation of shareholder wealth.

LTI's granted to executives are delivered in the form of performance options or performance rights. Performance options/rights are issued at an exercise price determined by the Board at the time of issue and generally vest over a selected period with vesting also tied to the performance conditions. The quantum of LTI granted is dependent on the Company's recent share price performance, the seniority of the Executive and responsibilities the Executive assumes in the Company. No Long-Term Incentives were paid in 2020/21

Assessing performance and claw-back of remuneration

The Remuneration and Nomination Committee is responsible for assessing performance against KPIs and determining the STI and LTI to be paid. To assist in this assessment, the committee receives detailed reports on performance from management and/ or external parties, which are based on independently verifiably data such as financial measures, market share and data from independently run surveys.

In the event of serious misconduct or a material misstatement in the company's financial statements, the remuneration committee can cancel or defer performance-based remuneration and may also claw back performance-based remuneration paid in previous financial years.

Further information on directors' and executives' remuneration is set out in the directors' report.

There are no departures from the Corporate Governance Principles and Recommendations 4th Edition" other than noted above.