



STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of directors of Felix Gold Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Felix Gold Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. The Company's governance approach aims to achieve exploration, development and financial success while meeting stakeholders' expectations of sound corporate governance practices by proactively determining and adopting the most appropriate corporate governance arrangements.

ASX Listing Rule 4.10.3 requires a listed entity to disclose the extent to which it has followed the recommendations set by the ASX Corporate Governance Council during the reporting period, either in its annual report or in a corporate governance statement located at a URL disclosed to ASX. This Corporate Governance Statement is given for that purpose.

A description of the Company's main corporate governance practices is set out below. The Corporate Governance Statement is current as at 30 September 2026 and has been approved by the Board of directors. All these practices, unless otherwise stated, were in place for the entire year.

The Company's governance practices have been assessed against the ASX Corporate Governance Principles and Recommendations (4th edition, February 2019). Where a recommendation was not followed for any part of the period, that recommendation, the period and the Company's reasons are identified below.

The Company's website at www.felixgold.com.au contains a corporate governance section that includes copies of the Company's corporate governance policies.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1:

A listed entity should have and disclose a board charter setting out:

- (a) the respective roles and responsibilities of its board and management; and*
- (b) those matters expressly reserved to the board and those delegated to management*

The Board's role is to govern the Company rather than to manage it. In governing the Company, the directors must act in the best interests of the Company as a whole. It is the role of the senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

The Board is responsible for:

- determining the vision and objectives of the Company;
- overseeing and fostering an appropriate culture for the Company that is directly aligned to its values, strategies and objectives;
- reviewing and approving the Company's financial position, systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- identifying all areas where written board policy is required, detailing the policies, and overseeing the implementation and monitoring of compliance;
- formulating short term and long term strategies to enable the Company to achieve its objectives, and ensuring adequate resources are available to meet strategic objectives;
- approving and monitoring the progress of major expenditure and acquisitions and divestments;
- approving the annual budgets, and ensuring these are aligned with the Company's strategic objectives;
- being responsible for the Company's senior management and personnel including appointing and, where appropriate, removing the Chairman;
- ratifying the appointment, and where appropriate, the removal of the executive directors and the Company Secretary;
- evaluating the performance of the senior management team and determining their remuneration;
- delegating appropriate powers to senior management to ensure the effective day-to-day management of the business and monitoring the exercise of these powers;
- ensuring that policies and procedures are in place consistent with the Company's objectives, and

- that the Company and its officers act legally, ethically and responsibly in all matters; and
- ensuring corporate accountability to the shareholders primarily through adopting an effective shareholder communications strategy.

The Executive Director is responsible for the attainment of the Company's goals and vision for the future, in accordance with the strategies, policies, programs and performance requirements approved by the Board.

The Executive Director's specific responsibilities include:

- responsibility for the achievement of corporate goals and objectives;
- development of short, medium and long term corporate strategies and planning to achieve the Company's vision and overall business objectives;
- implementing and monitoring strategy and reporting/presenting to the Board on current and future initiatives;
- assessment of business opportunities of potential benefit to the Company;
- establish and maintain effective and positive relationships with Board members, shareholders, the investment community and other government and business liaisons;
- undertake the role of key company spokesperson;
- ensure statutory, legal and regulatory compliance and comply with corporate policies and standards;
- ensure appropriate risk management practices and policies are in place; and
- select and appoint staff.

This statement of matters reserved for the Board and areas of delegated authority to the Executive Director and senior executives is contained in the Board Charter posted on the Company's website.

Recommendation 1.2:

A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and*
- (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.*

The Company undertakes checks on any person who is being considered as a director. These checks may include character, experience, education and financial history and background.

All security holder releases will contain material information about any candidate to enable an informed decision to be made on whether or not to elect or re-elect a director.

Recommendation 1.3:

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

The Executive Director does not currently have a formal written agreement with the Company setting out the terms of their appointment. Accordingly, the Company did not follow Recommendation 1.3 in respect of the Executive Director during the reporting period. The Executive Director's role and remuneration arrangements have instead been agreed with the Board and are reflected in the Company's corporate records and remuneration disclosures. The Board considers that these arrangements have operated effectively having regard to the Company's size and current stage of development. The other senior executives have written employment or services agreements setting out the terms of their appointment. Each senior executive appointed during the reporting period has entered into a written employment or services agreement setting out the terms of their appointment.

Recommendation 1.4:

The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board

The Company Secretary has a direct reporting line to the Board, through the Chair.

Recommendation 1.5:

A listed entity should

- (a) have and disclose a diversity policy;*
- (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and*
- (c) disclose in relation to each reporting period:*
 - 1. the measurable objectives set for that period to achieve gender diversity;*
 - 2. the entity's progress towards achieving those objectives; and*
 - 3. either:*
 - A. the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or*
 - B. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act*

The Company recognises that a talented and diverse workforce is a key competitive advantage. The Company is committed to developing a workplace that promotes diversity. The Company's policy is to recruit and manage on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background.

The Company's Diversity Policy is available on its website. The Board did not set measurable objectives for achieving gender diversity during the financial year ended 30 June 2026. Accordingly, the Company did not follow paragraph (b) of Recommendation 1.5 during the reporting period. As at 30 June 2026, there were no women represented on the Board or within senior executive positions.

Recommendation 1.6:

A listed entity should:

- a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and*
- b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.*

Due to the size of the Board and the nature of the Company's business, the Board has not adopted a formal documented process for periodically evaluating the performance of the Board, its committees and individual directors. No formal or informal performance evaluation of the Board or individual directors was undertaken during or in respect of the financial year ended 30 June 2026. The Company accordingly did not follow Recommendation 1.6 for the whole of that period. In lieu of a documented evaluation process, the Chair maintained ongoing dialogue with individual directors regarding Board performance and contribution. The Board will consider implementing an appropriate performance review process as the Company develops.

Recommendation 1.7:

A listed entity should:

- a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and*
- b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.*

No formal or informal evaluation of senior executive performance was undertaken in respect of the financial year ended 30 June 2026. The Company accordingly did not follow Recommendation 1.7 for the whole of that period. In lieu of a documented evaluation process, the Board monitored senior executive performance through regular management reporting on the delivery of the Company's exploration, development, funding and compliance objectives. The Board will consider implementing a documented evaluation process as the Company's senior executive team expands.

Principle 2: Structure the board to be effective and add value

Recommendation 2.1:

The board of a listed entity should:

- a) *have a nomination committee which:*
 1. *has at least three members, a majority of whom are independent directors; and*
 2. *is chaired by an independent director,**and disclose:*
 3. *the charter of the committee;*
 4. *the members of the committee; and*
 5. *as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- b) *if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.*

The Company does not have a nomination committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards. In particular, the full Board considers those matters that would usually be the responsibility of a nomination committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate nomination committee.

Directors are appointed under the terms of the Company's Constitution. Appointments to the Board are based upon merit and against criteria that serves to maintain an appropriate balance of skills, expertise, and experience of the board. The categories considered necessary for this purpose are a blend of accounting and finance, business, technical and administration skills. Casual appointments must stand for election at the next annual general meeting of the Company.

Retirement and rotation of directors are governed by the *Corporations Act 2001* (Cth) and the Constitution of the Company. Under the Constitution and Listing Rule 14.4, no director (other than a managing director) may hold office past the third annual general meeting following their appointment or three years, whichever is longer, without submitting for re-election.

Recommendation 2.2:

A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.

	Ronald Beevor	Blair Way	Joseph Webb	Andrew Browne
Strategy	✓	✓	✓	✓
Communication	✓	✓	✓	✓
Fundraising	✓	✓	✓	
Mining Industry	✓	✓	✓	✓
Risk	✓	✓	✓	✓
Governance	✓			
OH&S		✓	✓	✓
Social and Community	✓	✓	✓	✓
Environmental		✓	✓	✓
Accounting & Legal	✓			

Each director has the right of access to all relevant company information and to the Company's employees and, subject to prior consultation with the Chairperson, may seek independent professional advice from a suitably qualified adviser at the Company's expense. The director must consult with an advisor suitably qualified in the relevant field and obtain the Chairperson's approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the director is made available to all other members of the board.

Recommendation 2.3:

A listed entity should disclose:

- a) *the names of the directors considered by the board to be independent directors;*
- b) *if a director has an interest, position or relationship of the type described in Box 2.3 of the Principles (factors relevant to assessing the independence of a director) but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and*
- c) *the length of service of each director.*

The names, experience and responsibilities of directors of the Company in office at the date of this statement are set out in the latest Company Annual Report (including names of the directors considered to be independent directors and length of service of each director).

The directors considered by the Board to be independent are Mr Ronnie Beevor and Mr Blair Way. The length of service of each director is set out in the Directors' Report in the 2026 Annual Report.

Recommendation 2.4:

A majority of the Board of a listed entity should be independent directors.

In assessing whether a director is independent, the Board considers the factors set out in Box 2.3 of the ASX Corporate Governance Principles and Recommendations and any other facts or circumstances relevant to that assessment.

Board composition changed during the reporting period. Mr Blair Way was appointed a Non-Executive Director and Mr Mark Strizek retired as a Non-Executive Director, each effective 19 December 2025. The Board comprised four directors throughout the period.

Of the Company's four directors, the Board considers Ronald Beevor, Blair Way and Mark Strizek to be independent. As only two of the four directors were considered independent, the Company does not follow Recommendation 2.4. The Board considers that the current directors collectively possess an appropriate balance of skills, experience and knowledge for the Company's present size, activities and stage of development. The Board will continue to review its composition as the Company's activities develop.

The Board will continue to review its composition as the Company expands its activities and its requirements for additional skills, experience and independence evolve.

Recommendation 2.5:

The Chair of the Board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.

The Chair, Ronald Beevor, is considered by the Board to be an independent director. The roles of Chair and Executive Director are held by different individuals.

Recommendation 2.6:

A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

A new director is provided an induction that outlines the expectation of the director and provides a portfolio of the Company's significant policies and procedures. The Company encourages appropriate professional development of its directors and will pay for relevant courses and seminars that enable the director to develop and maintain the skills and knowledge needed to perform their role.

The directors have the following qualifications and professional development training:

- Ronald Beevor holds a degree in Philosophy, Politics and Economics (Honours) from Oxford University and qualified as a chartered accountant in London.
- Andrew Browne is a Fellow of the AusIMM (CPGeo), a Life Member of the CIM, and member of GSAust, GSAm, and SEG. He is also a Negotiation Consultant (ENSI) and Environmental Auditor (NATA).
- Joseph Webb has a Bachelor of Business, majoring in Management, Marketing and International Business.
- Blair Way has a Bachelor of Science (Geology), and MBA, and is a Fellow of the AusIMM.

Principle 3: Instill a culture of acting lawfully, ethically and responsibly

Recommendation 3.1:

A listed entity should articulate and disclose its values.

The Company has developed a Statement of Values which has been endorsed by the Board and applies to all employees, directors and officers. New employees are trained on these values which are continually reinforced by senior management. A copy of the Statement of Values is available on the Company's website.

Recommendation 3.2:

A listed entity should:

- (a) have and disclose a code of conduct for its directors, senior executives and employees; and*
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.*

The Company has adopted a Code of Conduct, which applies to all directors, officers and employees and is available on the Company's website. The Code sets out the standards of conduct expected by the Company and the processes for reporting and investigating suspected unlawful or unethical conduct. The Board is informed promptly of any material breach of the Code.

Trading in Company securities is regulated by the Corporations Act and the ASX Listing Rules. The Board makes all directors, officers and employees aware on appointment that it is prohibited to trade in the Company's securities whilst that director, officer or employee is in the possession of price sensitive information.

For details of shares held by directors and officers please refer to the Annual Report. Directors are required to report to the Company Secretary any movements in their holdings of Company securities, which are reported to ASX in the required timeframe prescribed by the ASX Listing Rules.

Recommendation 3.3:

A listed entity should:

- (a) have and disclose a whistleblower policy; and*
- (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.*

The Company has adopted a Whistleblower Policy, which applies to its directors, officers and employees and is available on the Company's website. The policy forms part of the induction process for new directors and employees. The Board is informed promptly of any material incident reported under the policy.

Recommendation 3.4:

A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and*
- (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.*

The Company has adopted an Anti-Bribery and Corruption Policy, which applies to its directors, officers and employees and is available on the Company's website. The policy forms part of the induction process for new directors and employees. The Board is informed promptly of any material breach of the policy.

Principle 4: Safeguard the Integrity of corporate reports

Recommendation 4.1

The board of a listed entity should:

- (a) have an audit committee which:*
 - 1. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and*
 - 2. is chaired by an independent director, who is not the chair of the board, and disclose:*
 - 3. the charter of the committee;*
 - 4. the relevant qualifications and experience of the members of the committee; and*
 - 5. in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*
- (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.*

The Company does not have an audit committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards. In particular, the full Board considers those matters that would usually be the responsibility of an audit committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate audit committee.

The Company requires external auditors to demonstrate quality and independence. The performance of the external auditor is reviewed and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs.

The Company requires the external auditor to comply with applicable legal and professional requirements concerning audit partner rotation and auditor independence.

Recommendation 4.2

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Before approving the financial statements for the year ended 30 June 2026, the Board received declarations from the Executive Director and Chief Financial Officer that, in their opinion, the Company's financial records had been properly maintained, the financial statements complied with the appropriate accounting standards and gave a true and fair view of the Company's financial position and performance, and that their opinion had been formed on the basis of a sound system of risk management and internal control that was operating effectively.

Recommendation 4.3

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

Periodic corporate reports that are not audited or reviewed by the external auditor are subject to an internal verification and approval process. This process includes review of the report against the underlying records, confirmation by the personnel responsible for the relevant information, and review and approval by appropriate senior executives and, where required, the Board.



Principle 5 – Make timely and balanced disclosure

Recommendation 5.1:

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1

The Company has developed a Continuous Disclosure Policy which has been endorsed by the Board. The Continuous Disclosure Policy ensures compliance with ASX Listing Rules and Corporations Act obligations to keep the market fully informed of information which may have a material effect on the price or value of its securities and outlines accountability at a senior executive level for that compliance. All ASX announcements are automatically posted to the Company's website immediately after confirmation of receipt is received from ASX, including all financial reports.

Recommendation 5.2:

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

All directors receive a copy of all announcements immediately they are made via distribution from the Company Secretary.

Recommendation 5.3:

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Company always releases new and substantive investor or analyst presentations to market ahead of making the presentation.

Principle 6 – Respect the rights of security holders

Recommendation 6.1:

A listed entity should provide information about itself and its governance to investors via its website.

The Company is committed to maintaining a Company website with general information about the Company and its operations, information about governance and information specifically targeted at keeping the Company's shareholders informed about the Company. In particular, where appropriate, after confirmation of receipt by the ASX, the following are posted to the Company's website:

- relevant announcements made to the market via the ASX;
- notices of meetings;
- investment updates;
- company presentations and media releases;
- copies of press releases and announcements for (at least) the preceding three years; and
- copies of annual, half-yearly and quarterly reports including financial statements for (at least) the preceding three years.

Recommendations 6.2 and 6.3:

A listed entity should have an investor relations program that facilitates effective two-way communication with investors

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

The Executive Director makes himself available to meet shareholders and regularly responds to enquiries made via telephone or email. The Executive Director also completes periodic investor presentations to facilitate engagement with investors and other financial market participants.

The Board encourages full participation of shareholders at the Annual General Meeting. In preparing for general meetings of the Company, the Company drafts the notice of meeting and related explanatory information so that shareholders are provided with all of the information that is relevant to shareholders in making decisions on matters to be voted on by them at the meeting. The Company allows shareholders a reasonable opportunity to ask questions of the Board of directors and to otherwise participate in the meeting. The external auditor of the Company is asked to attend each annual general meeting and to be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report. Important issues are presented to the shareholders as single resolutions. The shareholders are also responsible for voting on the appointment of directors.

Recommendations 6.4:

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

It is the Company's policy to have all substantive resolutions at a meeting of security holders decided by poll.

Recommendation 6.5:

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically

Security holders may elect to receive Company communications electronically and may communicate electronically with the Company and its securities registry. The Company also provides security holders who have supplied an email address with electronic access to general shareholder communications and information that has been publicly released. Instructions for making or changing communication elections are available through the Company's website and securities registry.

Principle 7 – Recognise and manage risk

Recommendation 7.1:

The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

- 1. has at least three members, a majority of whom are independent directors; and*
- 2. is chaired by an independent director,*

and disclose:

- 3. the charter of the committee;*
- 4. the members of the committee; and*
- 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*

(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.

The Company is not currently of a size to require the formation of committees to oversee risk. The full Board has the responsibility for the risk management, compliance and internal controls systems of the Company.

The Board is responsible for identifying, monitoring and reducing the significant areas of potential business and legal risk of the Company. The Board continually reviews the risks associated with its exploration activities and also reviews and monitors the parameters under which such risks will be managed.

Management is responsible for designing, implementing and reporting on the adequacy of the Company's risk management and internal control system. Management reports to the Board on the Company's key risks and the extent to which it believes these risks are being managed. This is performed on an annual basis or more frequently as required by the Board.

The Board is responsible for satisfying itself annually, or more frequently as required, that management has developed and implemented a sound system of risk management and internal control. It reviews strategic, operational and technical risks in conjunction with senior management. This process reviews the Company's strategic direction in detail and includes specific focus on the identification of business risks which could prevent the Company from achieving its objectives. Management is required to ensure that appropriate controls and mitigation strategies are in place to effectively manage those risks. Compliance and reporting risks are reviewed on an ongoing basis. The Board oversees the adequacy and comprehensiveness of risk reporting from management.

Recommendation 7.2:

The board or a committee of the board should:

- a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and*
- b) disclose, in relation to each reporting period, whether such a review has taken place.*

The Board considers material risks and risk management at each Board meeting. Management reports to the Board on the Company's key risks, the operation of relevant controls and the effectiveness of mitigation measures. The Board did not, however, undertake a discrete annual review of the Company's risk management framework during the financial year ended 30 June 2026 and accordingly did not follow Recommendation 7.2 for the whole of that period. In lieu of a formal framework review, the Board monitored the Company's principal risks and the adequacy of related controls through management reporting at each Board meeting. The Board intends to undertake a documented review of the risk management framework during the financial year ending 30 June 2027.

The Company's principal risk categories include:

- a) Operational and safety,
- b) Social and community,
- c) Environmental,
- d) Governance (legal and regulatory including financial reporting),
- e) Commercial (including market-related risks, financial and strategic).

Recommendation 7.3:

A listed entity should disclose:

- a) if it has an internal audit function, how the function is structured and what role it performs; or*
- b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.*

The Company does not have an internal audit function. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of an internal audit function at this time. The Board as a whole regularly evaluates and improves the effectiveness of its risk management (refer above) and internal control processes.

Recommendation 7.4:

A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

The Company is exposed to environmental and social risks associated with mineral exploration and project development, including permitting and regulatory approvals, land access, environmental impacts, rehabilitation obligations, health and safety, community engagement and stakeholder expectations. The Company manages these exposures through compliance with applicable laws and permit conditions, environmental and safety management procedures, engagement with relevant stakeholders and Board oversight of material project risks. Further information concerning the Company's material business risks is included in the Annual Report.

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1:

The board of a listed entity should:

(a) have a remuneration committee which:

- 1. has at least three members, a majority of whom are independent directors; and*
- 2. is chaired by an independent director,*

and disclose:

- 3. the charter of the committee;*
- 4. the members of the committee; and*
- 5. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*

(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Company does not have a remuneration committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards. In particular, the full Board considers those matters that would usually be the responsibility of a remuneration committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate remuneration committee.

Recommendation 8.2:

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The Company provides disclosure of all directors and executives remuneration in its annual report.

The remuneration policy of Felix Gold has been designed to align director's objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates. The Board of Felix Gold believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company. Directors' remuneration is approved by resolutions of the Board. The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

Non-Executive Directors

Non-executive directors receive fixed fees that reflect the time commitment, responsibilities and market practice for comparable companies. The aggregate fees payable to non-executive directors must remain within the maximum amount approved by security holders. Non-executive director fees are not performance based, and no retirement benefits are provided other than statutory superannuation. The Company may, subject to security holder approval and the applicable legal and Listing Rule requirements, grant equity securities to non-executive directors to support alignment with the long-term interests of security holders. Any such grant is considered separately from fixed Board fees and is disclosed in the Company's remuneration report.

Executives

The Company aims to remunerate senior executives on a market-competitive basis and in a manner that supports the Company's strategy and the long-term interests of security holders. Senior executive remuneration may comprise:

- fixed salary or fee that is determined from a review of the market and reflects core performance requirements and expectations;
- participation in any equity incentive scheme with thresholds approved by shareholders;
- statutory superannuation.

Where appropriate, senior executives may participate in short-term or long-term incentive arrangements in addition to receiving fixed remuneration. These arrangements are intended to link a portion of executive remuneration to the achievement of relevant corporate and individual objectives and to align executive interests with the long-term interests of security holders. Equity-based remuneration is measured for accounting purposes in accordance with the applicable accounting standards.

The objective behind using this remuneration structure is to drive improved performance and thereby increase shareholder value as well as aligning the interests of executives and shareholders.

The Board may use its discretion with respect to the payment of bonuses, incentive share options and other incentive payments.

For details of remuneration paid to directors and officers for the financial year please refer to Company's Annual Report.

Recommendation 8.3:

A listed entity which has an equity-based remuneration scheme should:

- a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and*
- b) disclose that policy or a summary of it.*

The Company has an equity-based remuneration scheme. Under the Company's Securities Trading Policy and the terms of the applicable incentive arrangements, participants are prohibited from entering into transactions, whether through derivatives or otherwise, that limit the economic risk of unvested or restricted equity-based entitlements. The Securities Trading Policy is available on the Company's website.