

The Company's securities are traded on the AIM Market of the London Stock Exchange ("AIM"). The Company has applied the requirements of the Quoted Companies Alliance ("QCA") corporate governance guidelines for AIM companies. Due to the size and nature of its current business the Company has not adopted the UK Corporate Governance Code in its entirety. The Company have complied with the QCA corporate guidelines where practical; instances of noncompliance have been highlighted below.

In addition, the Company has an established code of conduct for dealings in the shares of the Company by directors.

John Teeling, in his capacity as Non-Executive Chairman has assumed responsibility for ensuring that the Company has appropriate corporate governance standards in place and that these requirements are communicated and applied.

The Board currently consists of three directors: Non-Executive Chairman; Financial Director (and Company Secretary); and one Non-Executive Director. This is not in compliance with the QCA Code which requires at least two independent non-executive directors. However the Board considers that appropriate oversight of the Company is provided by the currently constituted Board having regard to the current size and resources of the Company.

The 10 principles set out in the QCA Code are listed below, with an explanation of how Arkle Resources applies each of the principles and the reason for any aspect of non-compliance. The same information can be viewed at the following link <https://arkleresources.com/arkle/qca-code-arkle-resources-corporate-governance-policy>

### **1. Establish a strategy and business model which promote long-term value for shareholders**

The Company has a clearly defined strategy and business model that has been adopted by the Board.

Our vision is for Arkle Resources to be regarded as the leading junior base and precious metals explorer in Ireland, as a preferred investment and as a preferred joint venture partner. Our objective is to create shareholder value by exploring in Ireland, one of the most prospective countries in the world for zinc and lead (as well as Europe's largest producer) and where gold projects have recently attracted major investment. Arkle Resources will also seek opportunities in safe jurisdictions beyond Ireland as long as those jurisdictions are attractive in terms of mineral prospectivity, security of tenure and overall political stability.

Additionally, our objective is to be joint venture partner of choice for larger mining companies and investment funds and enter into such agreements when this is beneficial to our shareholders while maintaining focus on our core competencies.

We will: maintain a flat, low-cost organisational structure; maintain a balance of 100% owned and joint venture projects; use our reputation and knowledge to continue to access ground prospective for both base and precious metals; and be alert to emerging opportunities, adapting our strategies accordingly.

## **2. Seek to understand and meet shareholder needs and expectations**

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. All shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting.

Investors also have access to current information on the Company through its website ([www.arkleresources.com](http://www.arkleresources.com)). The Company provides regulatory, financial and business news updates through the Regulatory News Service. The Company also provides access to news releases and general news related to our business through various media channels such as twitter (@ArkleResources) and the Company page on LinkedIn ([linkedin.com/company/arkle-resources-plc/](https://www.linkedin.com/company/arkle-resources-plc/))

## **3. Take into account wider stakeholder and social responsibilities and their implications for long-term success**

The Board is committed to having the highest degree possible of corporate social responsibility in how the Company undertakes its activities. We aim to have an uncompromising stance on health, safety, environment and community relations. The Company policy is that all activities are carried out in compliance with safety regulations, in a culture where the safety of personnel is paramount. Arkle Resources will ensure an appropriate level of contact and negotiation with all stakeholders including operating partners, landowners, community groups and regional and national authorities.

## **4. Embed effective risk management, considering both opportunities and threats, throughout the organisation**

The Board regularly reviews the risks to which the Company is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible whilst recognising that its business opportunities carry an inherently high level of risk. It is ultimately responsible for the management, governance, controls, risk management, direction and performance of the Group. The principal risks and uncertainties facing the Company at this stage in this development and in the foreseeable future are detailed on page 24 of the Annual Report, together with risk mitigation strategies employed by the Board. The Company also faces a number of financial risks such as liquidity risks. The Company's financial risk management policies are set out in note 22.

## **5. Maintain the board as a well-functioning, balanced team.**

The Board's role is to agree the Company's long-term direction and strategy and monitor achievement its business objectives, while ensuring that they are properly pursued within a robust framework of risk management and internal controls. The Board meets formally at least four times a year for these purposes and holds additional meetings when necessary to transact other business. The Board held seven scheduled meetings during the year, during which the Board received reports for consideration on all significant strategic, operational and financial matters.

The Board is supported by the Audit and Remuneration and the Nomination committees, detailed below. The Audit Committee met twice during the year, and both the Remuneration and Nomination Committee's met once.

The Board comprises non-executive Chairman, John Teeling, Financial Director and Company Secretary, James Finn, and one non-executive director David Cockbill.

All directors are subject to re-election intervals as prescribed in the Company's Articles of Association. At each Annual General Meeting one-third of the Directors who are subject to retirement by rotation, shall retire from office. They can then offer themselves for re-election.

On appointment, each director receives a letter of appointment from the Company. The Directors will receive a fee for their services as a director which is approved by the Board, being mindful of the time commitment and responsibilities of their roles and of current market rates for comparable organisations and appointments. The non-executive Directors are reimbursed for travelling and other incidental expenses incurred on Company business.

The Board currently has one non-executive director, which is a departure from the QCA Code which requires at least two independent non-executive directors. However, the Board considers that appropriate oversight of the Company is provided by the currently constituted Board having regard to the current size and resources of the Company.

#### **6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities**

The Board considers the current balance of sector, financial and public market skills and experience which it embodies is appropriate for the size and stage of development of the Company and that the Board has the skills and requisite experience necessary to execute the Company's strategy and discharge its fiduciary duties effectively. The experience and knowledge of each of the Directors gives them the ability to constructively challenge the strategy and execute performance. The Board is committed to ensuring diversity of skill and experience.

The Board delegates certain of its responsibilities to the Board Committees, listed within this report, which clearly defined terms of reference.

All Directors have access to the advice and services of the Company's solicitors and the Company Secretary, who is responsible for ensuring that all Board procedures are followed. Any Director may take independent professional advice at the Company's expense in the furtherance of his duties.

The biographies of the Directors are as follows:

#### **John Teeling – Non-Executive Chairman**

John Teeling is non-executive chairman of Arkle Resources Plc and has 40 years' resources experience. Teeling is also involved in a number of other AIM exploration companies and has been a serial entrepreneur in the resource sector having founded African Diamonds and created Pan Andean Resources, Minco, African Gold, Persian Gold and West African Diamonds, all listed on AIM. He is also the founder and a former director of Kenmare Resources, former director of Arcon and holds interests in a number of industrial ventures. Mr. Teeling holds degrees in Economics and Business from University College Dublin, an MBA from Wharton and a Doctorate in Business Administration from Harvard. He lectured for 20 years in business and finance at University College Dublin.

## **James Finn – Financial Director/Company Secretary**

James Finn is Finance Director of Arkle Resources Plc and has over 20 years' experience in working with exploration companies. Mr. Finn has extensive experience in the administration of oil and gas and minerals companies. He has been responsible for listing several resource sector companies on AIM in London, including two of the first companies ever listed on AIM, Pan Andean Resources and African Gold. He holds a degree in Management and an Association of Chartered Certified Accountants (ACCA) qualification.

## **David Cockbill – Non-Executive Director**

David Cockbill is an experienced corporate financier and public capital markets executive. Born in Northern Ireland, he studied accountancy at Manchester University before commencing a 35 year career in the City of London at various leading investment banks as a proprietary trader. David has been a Financial Conduct Authority (FCA) regulated person, for the last five years, focusing on opportunities within the micro-cap sector and raising capital for public companies in the natural resources and technology sectors.

## **7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

In accordance with provisions of the Code, a performance evaluation of the Board is carried out annually. In 2023, the performance evaluation process was conducted internally.

### Board Evaluation Process in July 2023

The Non-Executive Chairman John Teeling appraised the Board on the performance of each of the Directors during the year. The Board formally concluded on its own performance, on the performance of Committees and on the performance of individual Directors, including the Non-Executive Chairman.

### Analysis of 2023 evaluation

The evaluation indicated a high level of satisfaction with the composition, performance and effectiveness of the Board, its Chair and Committees. It found that there are good communications both within the Board/ Committees and with management.

A number of key focus areas were identified for the Board to consider. These include:

- Continued consideration of succession planning at Board and management level
- Increased allocation of Board meeting time to consideration of strategic issues
- Increased diversity on the Board

Arising from the evaluation process, a number of actions were agreed by the Board which will be implemented by the Chairman during the current year.

## **8. Promote a corporate culture that is based on ethical values and behaviours**

The corporate culture of the Company is promoted throughout its employees and contractors and is underpinned by compliance with local regulations and the implementation and regular review and

enforcement of various policies, including Health & Safety Policy, Share Dealing Policy, Privacy Policy and Social Media Policy. The Company policy is that all Company activities are carried out in compliance with safety regulations, in a culture where the safety of personnel is paramount. The Company will ensure an appropriate level of contact and negotiation with all stakeholders including landowners, community groups and regional and national authorities.

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company and that this will impact performance. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company and the way that employees behave. The exploration for, and development, of mineral resources can have significant impact in the areas where the Company and its contractors are active and it is important that the communities in which we operate view Company's activities positively. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this is reflected in all the Company does. The Company has an established code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with Rule 21 of the AIM rules and the Market Abuse Regulation.

The Companies Act 2014 (Ireland) permits the directors of public companies to authorise director's conflicts and potential conflicts of interest, where appropriate, and the Company's Articles of Association contain provisions to this effect. No conflicts of interest arose during the year which were required to be authorised by the directors.

#### **9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board**

The Board has overall responsibility for all aspects of the business. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision-making and ensuring the Non-Executive Directors are properly briefed on all operational and financial matters. The Chairman has overall responsibility for corporate governance matters in the Company and chairs the Nomination Committee. The Company Secretary is responsible for ensuring that Board procedures are followed, and applicable rules and regulations are complied with.

The Nomination Committee comprises the non-executive Chairman (Committee Chair), Finance Director and Company Secretary and the Non-Executive Director and meets at least once per year to examine Board appointments and to make recommendations to the Board in accordance with best practice and other applicable rules and regulations.

The Audit Committee, chaired by Non-Executive Director David Cockbill and includes non-executive Chairman John Teeling meets at least twice a year and assists the Board in meeting responsibilities in respect of external financial reporting and internal controls. The Finance Director and Company Secretary James Finn is invited to attend meetings of the Committee. The Audit Committee also keeps under review the scope and results of the audit. It also considers the cost-effectiveness, independence and objectivity of the Auditor taking account of any non-audit services provided by them.

The Remuneration Committee is comprised of Non-Executive Director, David Cockbill (Committee Chair) and James Finn, Finance Director. The Remuneration Committee meets at least once a year to determine the appropriate remuneration for the Company's executive directors, ensuring that this

reflects their performance and that of the Company. The Remuneration Committee did not meet during the year as there was no change to the directors remuneration.

The Company's Audit Committee Report is presented on page 31 and provides further details on the committee's activities during 2023, and while a separate report from the Remuneration Committee and Nomination Committee was not produced due to the size of the company, the Company intends to review this requirement on an annual basis.

#### **10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company.

Investors also have access to current information on the Company through its website [www.arkleresources.com](http://www.arkleresources.com) and through the Non-Executive Chairman who is available to answer investor relations enquiries. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting.

The Company's financial reports can be found here: <https://arkleresources.com/investor-center/reports/>

A complete history of Investor Notices can be found here: <https://arkleresources.com/rns-regulatory-news/>

The Company also communicates through social media on twitter: [www.twitter.com/ArkleResources](http://www.twitter.com/ArkleResources) and LinkedIn: [www.linkedin.com/company/arkle-resources-plc](http://www.linkedin.com/company/arkle-resources-plc)