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FALCON METALS LIMITED
CORPORATE GOVERNANCE STATEMENT

Approved by the Board with effect 29 September 2026

The Board of Directors of Falcon Metals Limited (**Falcon**, **the Company**) and the entities it controls (**Consolidated Entity** or **Group**) is responsible for the corporate governance of the Group. 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.

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. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

Details of the Company's *Corporate Governance Plan and Board Charter* and related documents are available online at www.falconmetals.com.au

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Recommendations	Commentary
Principle 1: **Lay solid foundations for management and oversight:** A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.	
1.1. Listed Entity should have and disclose: (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.	Adopted. The Board has adopted a formal charter that details the functions and responsibilities of the Board and management. As provided for in the *Corporate Governance Plan and Board Charter* (**Board Charter**), the Board is ultimately responsible for all matters relating to the running of the Company, and more specifically, all matters relating to the policies, practices, management and operations of the Company. Principal functions and responsibilities of the Board include: • providing leadership to the Company; • overseeing the development and implementation of an appropriate strategy, the instilling of the Company's values and performance; • overseeing the control and accountability systems that ensure the Company is progressing towards the goals set by the Board; • ensuring corporate accountability to shareholders; • ensuring the integrity of the Company's accounting systems; • ensuring robust and effective risk management, compliance, continuous disclosure and control systems are in place and operating effectively; • appointing, and where necessary removing and/or replacing, the Chair; • being responsible for the Company's senior management and personnel; • ensuring that the Company's remuneration and nomination policies are aligned with the entity's purpose, values, strategic objectives and risk appetite; • delegating appropriate powers to the CEO, management and committees to ensure the effective day-to-day management of the business and monitoring the exercise of these powers; • ensuring Directors receive briefings on material developments in laws, regulations and accounting standards relevant to the Company; • where required, challenging management and holding it to account; and • making all decisions outside the scope of these delegated powers. Roles and Responsibilities of the Board and Management are detailed in the Company's *Corporate Governance Plan and Board Charter,* a copy of which is published on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.

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1.2. 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.	Adopted. The Board considers nominations for appointment or election of Directors having regard to the skills and experience required by the Company and procedures outlined in the Company's constitution and the *Corporations Act 2001 (Cth)*. The Company undertakes appropriate checks before appointing a director or senior executive, or before putting forward to shareholders a candidate for election as a director. Candidates are assessed through interviews, meetings and background and reference checks as appropriate. The Company gives shareholders all material information relevant to the decision whether or not to elect or re- elect a Director, either in the notice of meeting and explanatory statement for the relevant meeting of shareholders which addresses the election or re-election of the Director, or by including in the notice a clear reference to the location on the Company's website, Annual Report or other document lodged with ASX where the information can be found. The Company undertakes appropriate checks prior to any director appointments.
1.3. A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Adopted. All directors are appointed under an engagement letter or contract which details the terms of their appointment. All senior executives have a written employment agreement detailing roles and responsibilities.
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.	Adopted. The Company Secretary is accountable directly to the Board on all matters relating to the proper functioning of the Board as detailed in the Company's *Corporate Governance Plan and Board Charter,* a copy of which is published on the Company's website at www.falconmetals.com.au and available for download on the Corporate Governance Page.
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:	Partially Adopted. The Company has a *Diversity Policy*, a downloadable copy of which is published on the Company's website at www.falconmetals.com.au on the Corporate Governance Page which documents the Company's commitment to workplace diversity. The diversity policy notes that the Board will set measurable objectives to achieve gender diversity. The Board has yet to set these measurable objectives, given the current stage of the Company and will consider the establishment of objectives for achieving gender diversity as it develops and its circumstances change. The Board will monitor the extent to which the level of diversity within the Company is appropriate on an ongoing basis and periodically considers measures to improve it.

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<table>
<tr>
<td>(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.</td>
<td>Number of Men and Women in the Company
<table>
<tr><th></th><th colspan="2">2026</th><th colspan="2">2025</th></tr>
<tr><td></td><td>Female</td><td>Male</td><td>Female</td><td>Male</td></tr>
<tr><td>Board</td><td>1</td><td>3</td><td>1</td><td>3</td></tr>
<tr><td>Senior Executive</td><td>0</td><td>4</td><td>0</td><td>3</td></tr>
<tr><td>Other</td><td>1</td><td>3</td><td>0</td><td>1</td></tr>
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<td>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.</td>
<td>Adopted.

The Board has adopted a Performance Evaluation Policy which details the periodic review of the Board, committees and directors. A copy of the Performance Evaluation Policy is published on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.

The Board completed its performance evaluation in September 2026.</td>
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<tr>
<td>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.</td>
<td>Adopted.

The Board has adopted a Performance Evaluation Policy which also notes the required performance review of the executive team. A copy of the Performance Evaluation Policy is published on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.

The Company completed the performance evaluation of its senior executives in June 2026.</td>
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Principle 2 **Structure the Board to be effective and add value:** The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.	
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 through 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.	Adopted. The Company has established a Remuneration and Nomination Committee to assist the Board by making recommendations in respect of: - maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body; and - ensuring that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance. The Board has adopted a *Remuneration and Nomination Committee Charter* which describes the role, composition, functions and responsibilities of a nomination committee. The Committee consists of the independent non-executive directors of the Company members. Mark Bennett is the Chair of the Committee. The number of meetings held in the reporting period is details in the Company's Annual Report. A copy of the Company's *Remuneration and Nomination Committee Charter* is published on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.
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.	Adopted. The Board has adopted a Board Skills Matrix which sets out the skills/experience, capability and knowledge requirements considered appropriate to implement the Company's strategy and key issues facing the Company. 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 competency. A level of 3 or above indicates a 'well developed competency' to participate in Board level decision making.

	The table at Appendix A 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. As at the date of this report there were four Directors in total (including the Managing Director). The Board will review capabilities, technical skills and personal attributes of its directors. It will normally review the Board's composition against those attributes and recommend any changes in Board composition that may be required. An essential component of this will be the time availability of Directors. Directors are encouraged to undertake continuing education relevant to the discharge of their obligations as directors of the Company. Reasonable cost of such education is met by the Company.
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 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.	Adopted. Currently there are three Independent Directors: - Mr Mark Bennett, appointed to the Board on 9 December 2021, serving 4 years and 10 months; - Mr Alex Dorsch, appointed to the Board on 17 July 2021, serving 5 years and 3 months; and - Ms Katina Law, appointed to the Board on 1 October 2023, serving 3 years. The Board does not believe that any director has served on the Board for a period which could, or be perceived to, materially interfere with his ability to act in the best interests of the Company.
2.4 A majority of the Board of a listed entity should be independent directors.	Adopted. Currently Mark Bennett, Alex Dorsch and Katina Law are considered independent, which is 75% of the Board.
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.	Adopted. The Chairman of the Board is Mark Bennett, and he has been determined as an independent director. The Chair of the Board and the CEO are not the same person.
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	Adopted. It is the policy of the Board to ensure that the Directors and senior management of the Company are equipped with the knowledge and information they need to discharge their responsibilities effectively and that individual and collective performance is regularly and fairly reviewed.

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skills and knowledge needed to perform their role as directors effectively	There is an induction program in place for any new directors which includes the commitment of the Company to provide and support any required professional development.

Principle 3 **Instil a culture of acting lawfully, ethically and responsibly.** A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.	
3.1 A listed entity should articulate and disclose its values.	Adopted. The Company has adopted and disclosed a statement of values, which is available on the Company's website at www.falconmetals.com.au The Company's purpose is 'Share value creation through major mineral discoveries' underpinned by its core values of: • Earn trust and confidence • Do the right thing • Be disciplined in our approach • Act with urgency, integrity and respect • Share our success
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.	Adopted. The Company has adopted a *Code of Conduct* which is available on the company website at www.falconmetals.com.au on the Corporate Governance Page. The Company seeks to encourage and develop a culture which will maintain and enhance its reputation as a valued corporate citizen of the countries where it operates and an employer which personnel enjoy working for.
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.	Adopted. The Company has a *Whistleblower Policy* which is available on the Company's website at www.falconmetals.com.au on the Corporate Governance Page. The policy aims to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk. Any material incidents are required to be reported to the Board.
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	Adopted. The Company has an *Anti-Bribery and Anti-Corruption Policy* which is available on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.

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informed of any material breaches of that policy.	The Board has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings. The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption and provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues. Any material incidents are required to be reported to the Board.
Principle 4 **Safeguard the Integrity of corporate reports.** A listed entity should have appropriate processes to verify the integrity of its corporate reports.	
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 member 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	Adopted. The Board has established an Audit and Risk Committee to assist the Board in discharging its responsibilities to ensure that the Company complies with appropriate and effective accounting, auditing, internal control and compliance and reporting practices in accordance with the Audit and Risk Committee Charter. The Audit and Risk Committee consists of three independent non-executive directors. The Committee is chaired by Katina Law with Mark Bennett and Alex Dorsch as members. The number of meetings held in the reporting period is details in the Company's Annual Report. The Board has adopted a charter with respect to the Audit and Risk Committee, which sets out the role and responsibilities of the Audit and Risk Committee and the authority delegated by the Board to the Audit and Risk Committee. The Committee has responsibilities which include but not limited to: - verifying and safeguarding the integrity of the Company's stakeholder reporting; - reviewing and approving the audited annual and reviewed half yearly financial reports; - reviewing the appointment of the external auditor, their independence and performance, the audit fee, any questions of their resignation or dismissal and assessing the scope and adequacy of the external audit; and - a risk management function. The ultimate responsibility for the Company's financial statements rests with the Board. The Board, with the assistance of the Audit and Risk Committee, will review the Company's financial statements and reports, focusing on (among other things) any changes in accounting policies and practices, significant adjustments and compliance with accounting policies and standards and legal requirements.

	rotation of the audit engagement partner.	The charter of the *Audit and Risk Committee Charter* is available on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.
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.	Adopted. Before the Board approves the Company's financial statements it will receive 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.
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.	Adopted. 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 stakeholders 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 Disclosure** A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.		
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Adopted. The Company is committed to ensuring that shareholders and the market are provided with full and timely information and that all stakeholders have equal and timely access to material information concerning the Company. The Company understands and respects that timely disclosure of price sensitive information is central to the efficient operation of the ASX's securities market and has adopted a *Continuous Disclosure Policy* with underlying procedures covering public announcements, the prevention of

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	selective or inadvertent disclosure, conduct of investor and analysts briefings, and media communications. Directors and management are committed to promoting consistent disclosure practices aimed at accurate, timely and broadly disseminated disclosure of material information to the market. The Company's *Continuous Disclosure Policy* is available on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.
5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Adopted. All Board members receive a copy of all announcements upon release to the market.
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.	Adopted. Where a new and substantive investor or analyst presentation is to be given, the Company will release a copy of the presentation materials on the ASX market announcements platform ahead of the presentation.

Principle 6 **Respect the Rights of Security Holders** A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.	
6.1 A listed entity should provide information about itself and its governance to investors via its website.	Adopted. The Company has a Corporate Governance page on its website providing links to constitution, charters, and corporate governance policies. Details of directors can be found on the *Board and Management* page of their website www.falconmetals.com.au
6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Adopted. The Company places a high priority on communications with, and accountability to, shareholders. The Board recognises that shareholders, as the ultimate owners of the Company, are entitled to receive timely and relevant high-quality information about their investment. Similarly, prospective investors should be able to make an informed decision when considering the purchase of shares in the Company. The website includes a facility to allow interested parties to *Sign Up for Latest News* by subscribing to receive electronically, public releases and other relevant material concerning the Company. There are also contact details if shareholders wish to contact the Company or its security registry with any queries.

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	The Company has adopted a *Shareholder Communications Policy* which is available on the Company website at www.falconmetals.com.au on the Corporate Governance Page.
6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Adopted. Shareholders are encouraged to attend AGMs and ask questions of directors, senior management and the Company's external auditors, who are required to be in attendance. In the event that shareholders are unable to attend meetings, they are encouraged to lodge proxies signifying their approval or otherwise of the business to be considered. Shareholders are able to directly lodge their votes online via the Computershare investor portal (the Company's share registry) voting platform.
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.	Adopted. All resolutions at Shareholder meetings are to be determined by a poll.
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.	Adopted. Welcome pack to all new shareholders provides these options to receive communications electronically. This option is also available to existing shareholders upon contacting the share registry, Computershare.

Principle 7 **Recognise and Manage Risk** A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.	
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	Adopted. The Board has established an Audit and Risk Committee to assist the Board in discharging its responsibilities to ensure that the Company complies with appropriate and effective accounting, auditing, internal control and compliance and reporting practices in accordance with the Audit and Risk Committee Charter. The Audit and Risk Committee consist of three independent non-executive directors, in compliance with Recommendation 4.1(a). The chair of the Audit and Risk Committee is an independent director, Katina Law who is not the chair of the Board. The members of the Committee are Mark Bennett and Alex Dorsch, both of which are independent Non-Executive Directors. The number of meetings held in the reporting period is detailed in the Company's Annual Report. The Board has adopted a charter with respect to the Audit and Risk Committee, which sets out the role and responsibilities of the audit and

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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.	Risk Committee and the authority delegated by the Board to the Audit and Risk Committee. The Committee has responsibilities which include but not limited to: - ensuring that an appropriate risk management framework is in place and is operating properly; and - reviewing and monitoring legal and policy compliance systems and issues. The Board has adopted an *Audit and Risk Committee Charter* which describes the role, composition, functions and responsibilities of a risk committee. The charter of the *Audit and Risk Committee Charter* is available on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.
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.	Adopted. The Company is committed to the identification, monitoring and management of risks associated with its business activities and has established policies in relation to the implementation of practical and effective control systems. The Company has established a *Risk Management Policy*, which is available on the Company's website, www.falconmetals.com.au on the Corporate Governance Page. Under the Company's *Risk Management Policy*, the Board reviews all major strategies and transactions and corporate actions for their impact on the risk facing the Company and makes appropriate recommendations. The Company will also undertake an annual review of operations to update its risk profile. This normally occurs in conjunction with the strategic planning process. The Company discloses in each reporting period that such a review has taken place. The Company reviewed its Risk Management Framework in the reporting period.
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.	Not adopted. The Company does not have an independent internal audit function, due to the nature and size of the Company's operations, and the Company's ability to derive substantially all of the benefits of an independent internal audit function in the manner disclosed below, the expense of an independent internal auditor is not considered to be appropriate. The Board performs any key elements of an internal audit function, and can delegate to one or more appropriate senior executives the authority to implement any non-strategic amendments to risk management systems required as a result of changed circumstances, or where the potential for improvement has been identified; reporting all such matters to the Board for consideration at its next meeting. The Board may also seek recommendations from appropriate senior executives where strategic changes to risk management and internal control processes are required.

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7.4 A listed entity should disclose whether it has any material exposure to environmental and social risks and, if it does, how it manages or intends to manage those risks.	Adopted. The Company identifies and manages material exposure to environmental and social risks in a manner consistent with its *Risk Management Policy.* The Company has, and will continue 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 mineral exploration 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.

Principle 8 **Remunerate Fairly and Responsibly:** A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.	
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	Adopted. The Company has established a Remuneration and Nomination Committee to assist the Board by making recommendations in respect of: - reviewing the remuneration (including short- and long-term incentive schemes and equity-based remuneration, where applicable) and performance of Directors; - setting policies for senior executive remuneration, setting the terms and conditions of employment for senior executives, undertaking reviews of senior executive performance, including setting goals and reviewing progress in achieving those goals; and - reviewing the Company's senior executive and employee incentive schemes (including equity-based remuneration) (where applicable) and making recommendations to the Non-Executive Chair on any proposed changes.

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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 Board has adopted a *Remuneration and Nomination Committee Charter* which describes the role, composition, functions and responsibilities of a nomination committee. The chair of the Remuneration and Nomination Committee is an independent director, Mark Bennett. The members of the Committee are Alex Dorsch and Katina Law, all of whom are independent Non-Executive Directors. The number of meetings held in the reporting period is detailed in the Company's Annual Report. A copy of the Company's *Remuneration and Nomination Committee Charter* is published on the Company's website at www.falconmetals.com.au on the Corporate Governance Page.
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.	Adopted. The *Board Charter* sets out the policies and practices of the remuneration of Non-Executive Directors, Managing Director/CEO and other senior executives. Mark Bennett, Katina Law and Alex Dorsch are paid a fixed annual directors fee for their service to the Company as Non-Executive Directors. The Managing Director/CEO of the Company typically receives remuneration comprising a base salary component and other fixed benefits based on the terms of their respective employment agreements with the Company and potentially the ability to participate in the Company's short term and long-term incentive plans.
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.	Adopted. The Company's *Trading Policy* prohibits the hedging of unvested performance share rights and vested securities that are subject to disposal restrictions at all times, irrespective of trading windows. This is in line with the requirements of the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth) and is intended to prevent transactions which could have the effect of distorting the proper functioning of performance hurdles or reducing the intended alignment between management's and shareholders' interests. A copy of the Company's *Trading Policy* is published on the Company's website, www.falconmetals.com.au on the Corporate Governance page.

Corporate Governance Statement date: 30 June 2026
Approved by the Board on 29 September 2026

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Appendix A - Board Skills Matrix

The following table of skills and experience has been identified by the Board as the key skills and other attributes of Board members which are believed to be required for robust decision-making and the effective governance of the Company.

The table is to be reviewed and updated periodically to ensure that it covers the attributes needed to address existing and emerging business and governance issues relevant to the Company.

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 competency. A level of 3 or above indicates a 'well developed competency' to participate in Board level decision making.

Category	Experience, capability and knowledge requirements	Number of Directors with 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.	4
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.	4
Corporate Transactions	Planning and execution of equity or debt capital raisings, mergers, acquisitions, joint ventures, de-mergers and takeover defence.	4
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.	4
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.	4

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People, Culture and Remuneration	Establishing and overseeing organisation-wide capabilities, remuneration frameworks, performance assessment, people management and company culture, mindsets and behaviours.	4
Investor Relations	Drafting and delivery of public announcements, other shareholder communications, market research / analysis and presentations at industry events / conferences.	4
Risk Management	Formulating risk management frameworks and controls, setting appropriate risk appetite, identifying and providing oversight of key business risks (both financial and nonfinancial).	4
Health and Safety	Formulating and implementing health and safety management systems, risk identification and mitigation processes, performance monitoring and governance.	4
Sustainability and Environment	Formulating and managing environment and sustainability policies, standards, practices and implementation of environmental impact mitigations for mining projects.	4
Community and Government Relations	Formulating and implementing stakeholder engagement and management strategies. Local, State and Federal Government and regulatory management.	4
Geology and Exploration Targeting	Base, precious and rare metal mineral systems, geology and targeting. Design, planning and execution of mineral exploration programs.	3
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
Metallurgy and Mineral Processing	Base, precious and rare metal mineralogy, metallurgy and marketing. Design, testing and optimisation of metallurgical flowsheet, processing facility and offtake.	3
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

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