

Corporate Governance

The Chair of the Board of Directors of Oriole Resources PLC ('Oriole' or 'the Company' or 'the Group' or 'we/our') has a responsibility to ensure that Oriole has a sound corporate governance policy and an effective Board.

The Board has adopted the Quoted Companies Alliance ('QCA') 2018 Corporate Governance Code (the 'Code'). The Code identifies ten principles to be followed in order for companies to deliver growth in long-term shareholder value, encompassing effective management with regular and timely communication to shareholders. This report follows the structure of those principles and explains how we have applied the guidance as well as disclosing any areas of non-compliance.

The Company notes that it fully complies with the 2018 QCA Corporate Governance Code and will provide annual updates on its continuing compliance with the Code. The sections below set out how the Group applies the ten principles of the Code.

The Board have subscribed for the updated 2023 QCA Corporate Governance Code which is applicable to accounting periods commencing after 1 April 2024, and will report against that version of the code in future Annual Reports.

There have been no significant governance changes during the year.

Principle 1: Establish a strategy and business model which promotes long-term value for shareholders

The Company is a gold and base metals exploration specialist, with operations and investments in Africa and Turkey. Our goal is to deliver long term value for our shareholders. We aim to do this by identifying and proving up good quality grassroots and early-stage exploration projects. Consequently we:

- Assess the business and political environment of the target country and its attractiveness for prospecting and eventual mining operations;
- Understand existing interests in a licence area in order to ensure we can earn-in on terms favourable to our shareholders;
- Review existing infrastructure in an area, as this is a significant factor in assessing economic potential; and
- Use our expertise to identify and progress those areas which demonstrate the potential for economically feasible deposits of gold and base metals.

Early-stage mineral exploration is, by its nature, speculative. We aim to reduce the risks inherent in the industry by careful application of funds across individual projects. We do that by:

- Reviewing existing exploration data where available;
- Establishing in-country partnerships for our projects;
- Applying the most appropriate and cost-effective programmes in order to determine whether further work, using increasingly expensive exploration techniques, is justified; and
- Appreciating the likely realisation routes that will be available to us as the project moves towards development.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Company is committed to engaging with its shareholders to ensure that its strategy, operational results and financial performance are clearly understood. We aim to engage with our shareholders via roadshows, attending investor conferences, through our regular reporting on the London Stock Exchange ('LSE') and posting on the Company's website.

LSE announcements include details of the website, X feed and phone numbers to contact the Company and its professional advisers. In addition, the Company has appointed SP Angel Corporate Finance LLP ('SP Angel') as its broker. As part of their services, SP Angel also publish research on the Company which is available from their website.

Private shareholders

The Company's Annual General Meeting ('AGM') is the key forum for dialogue between retail shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. Question and answer sessions are held a week before the meetings, in order to let shareholders ask questions in advance of submitting proxy votes. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM are announced via the LSE. Investors can contact us via our website (www.orioleresources.com) or by email (info@orioleresources.co.uk).

Retail shareholders also regularly attend our seminar presentations and we publicise our attendance via LSE announcements and X. In addition, our most recent corporate presentation is made available on our website.

Institutional shareholders

The Directors actively seek to build a relationship with institutional shareholders. Shareholder relations are managed primarily by the Executive Directors. The Executive Directors make presentations to institutional shareholders and analysts throughout the year, both in virtual forums and, where possible, in person by attendance at internationally-recognised mining conferences. We also have ad-hoc meetings with our shareholders via conference call and email. The Board as a whole is kept informed of the views and concerns of major shareholders by the Executive Directors. Any significant investment reports from analysts are also circulated to the Board. The Non-Executive Chair and Non-Executive Director are available to meet with major shareholders if required to discuss issues of importance to them and are considered to be independent from the executive management of the Company.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long term success.

Aside from our shareholders, our most important stakeholder groups are our employees, local partners and those local communities that may be impacted by our exploration activities. The Board is regularly updated on stakeholder issues and their potential impact on our business to enable the Board to understand and consider these issues in decision-making. The Board understands that maintaining the support of all its stakeholders is paramount for the long-term success of the Company.

Employees

We maintain only a small permanent staff across the UK and Africa and as such, employee engagement with the Executive Directors is frequent with scheduled weekly team calls as well as daily calls and discussions. We aim to provide an environment that will attract, retain and motivate our team and we continue to monitor this through regular one-on-one discussions and an annual appraisal system. We also have an employee handbook in order to provide a comprehensive document detailing all the policies and procedures covering all aspects of employment with Oriole Resources PLC. Our key value underpinning the Employee Handbook is to treat all employees fairly and equally and to promote ethical behaviour, diversity and non-discrimination.

Relevant, cost-effective training courses are available to all employees and are discussed during the annual appraisal process.

Local partners and communities

Our operations provide employment in remote areas of developing countries. Essential to our success is the establishment of close working relationships with local partners. We seek local partners who have a good understanding of the local exploration and mining industry and regulations within their country, and with the capacity and capability to assist with the management and maintenance of the project.

We are mindful of our obligations to the local environment and operate to high levels of health and safety in respect of both our local workers and the local community. Employee training focuses on operating safely and considerately in these communities. Engagement with local communities is dependent on jurisdiction and the stage of exploration but is typically by public forum or with local or regional leaders, including site visits and workshops. Social projects in the local communities are dependent on local needs and also the stage of exploration/level of project investment. Examples of our previous social projects include Covid-19 vaccinations, drilling new boreholes for drinking water, provision of medical clinics, supply of equipment to a local school and building a new road.

As projects move forward, towards potential mining activities, we seek to bring in partners who can credibly make the investments to move towards mine production. In doing so, we have regard for their ability and desire to move projects forward, their industry reputation, and their commitment to treating the local communities fairly whilst also protecting the environment. We enter agreements that allow us to monitor their activities and have monthly updates on project progress.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

Audit, risk and internal control

Financial controls

The Company has an established framework of internal financial controls, the effectiveness of which is regularly reviewed by the Executive Directors, the Audit Committee and the Board. The key financial controls are:

- The Board is responsible for reviewing and approving overall Company strategy, approving new exploration projects and budgets, and for determining the financial structure of the Company including treasury, tax and dividend policy. Monthly results and variances from plans and forecasts are reported to the Board;
- The Audit Committee, comprising the Non-Executive Directors, assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal business, operational and financial controls;
- Regular budgeting and forecasting is performed to monitor the Company's ongoing cash requirements and cash flow forecasts are circulated to the Board on a monthly basis;
- Actual results are reported against budget and prior year and are circulated to the Board;
- The Company has an investment appraisal system that considers expected costs against a range of potential outcomes arising from the exploration opportunities that we are invited to participate in;
- Regular reviews of exploration results are performed as the basis for decisions regarding future expenditure commitments;
- Due to the international nature of the business there are, at times, significant foreign exchange rate movement exposures. Cash flow forecasting is done at the 'required currency' level and foreign currency balances are maintained to meet expected requirements; and
- For exploration projects, we manage the risk of failure to find economic deposits by low-cost, early stage exploration techniques, with detailed analysis of results. Moving projects to more expensive exploration techniques requires a rigorous review of results data prior to deciding whether to proceed with further work.

Non-financial controls

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group. The principal elements of the Group's internal control system include:

- Close management of the day-to-day activities of the Group by the Executive Directors;
- An organisational structure with defined levels of responsibility, which promotes entrepreneurial decision-making and rapid implementation while minimising risks; and
- Central control over key areas such as capital expenditure authorisation and banking facilities.

The Group reviews at least annually the effectiveness of its system of internal control, whilst also having regard to its size and the resources available. As part of the Group's plans we continue to review a number of non-financial controls covering areas such as regulatory compliance, business integrity, health and safety, and corporate social responsibility. All employees are aware of their obligations under anti-bribery and corruption legislation and detailed information is provided in the Employee Handbook. In addition, whistleblowing procedures have been established and publicised to all employees.

Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Board comprises an Independent Non-Executive Chair, three Executive Directors and one Independent Non-Executive Director. All current Directors were appointed during or since 2018. Eileen Carr has served as Independent Non-Executive Chairman from 17 February 2022. David Pelham serves as an independent Non-Executive Director. Both the Non-Executive Directors have extensive experience in the mining industry and have considerable experience of serving on the boards of public companies. Given the current board structure, the Company has not designated a Senior Independent Director.

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company and industry on the other, to enable it to discharge its duties and responsibilities effectively. The Nomination Committee keeps the need for an additional Non-Executive Director under regular review. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

In 2020, the Company issued options to all Directors including the Non-Executive Directors, at that time, under a Director share option remuneration plan, which was enacted to maximise funds available for exploration by conserving cash, through the grant of options in lieu of contractual salary payments for a limited term during 2019 and 2020. The grant of options to the Non-Executive Directors is not considered to be part of any incentive plan nor to impair their independence.

In 2023, the Company issued shares in lieu of salary to all Directors on three occasions being part of an ongoing programme from 2022. All Directors, including the Non-Executive Directors participated in this, and the Company then continued with a similar scheme for 6 months between May and October, with each Director being awarded share options in lieu of salary foregone. The grant of share options under this scheme is not considered to be part of any incentive plan nor to impair independence.

In November 2024, as part of a Group wide review of existing share option awards, the Executive Directors considered and recommended to the Board that share options should be issued to the Non-Executive Directors. This grant of share options is not considered to be part of any incentive plan nor to impair their independence.

The Board aims to meet at least bi-monthly, either via a formally-scheduled Board meeting or an ad-hoc telephone conference call when matters must be discussed on a more timely basis. The agenda for Board Meetings is set by the Company Secretary in consultation with the Chair and CEO. The standard agenda points include:

- Review of previous meeting minutes and actions arising therefrom;
- A discussion of the major strategic and operational issues facing the business;
- A report from the CEO covering Business Development initiatives and other corporate matters;
- A report by the Executive Director for Exploration, covering all operational matters;
- A report from the CFO covering all financial matters; and
- Any other business including an update of the Register of Conflicts.

Directors' conflict of interest

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board. A Register of Conflicts is maintained and is a standard agenda item at each Board Meeting. The Board has access to the Company's nominated adviser, its brokers and its lawyers. The advisers do not typically provide materials for Board meetings except if requested to do so for the purposes of discussing upcoming regulations and other issues, although an annual review of AIM regulations and key topics is provided by our nominated adviser outside of Board Meetings.

Board meetings are deemed quorate if two Board members are present and providing 7 days' notice of such meeting has been given and waived by the non-attending Directors. During 2024, Board Meetings were held both remotely, using video conference facilities, and face-to-face wherever possible.

Directors and Officers Liability insurance is maintained for all Directors and key employees. The table below sets out the attendance statistics for all current Board members through 2024:

	Meetings attended	Meetings held during the year, or before date of resignation (if applicable) or after date of appointment if later
Martin Rosser (appointed 1 May 2024)	5	5
Tim Livesey (resigned 31 May 2024)	1	3
Bob Smeeton	8	8
Claire Bay	8	8
Eileen Carr	8	8
David Pelham	8	8

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, particularly so in the area of gold and base metal exploration and development, and mine engineering. The Directors keep their skill set up to date through discussion with the Company's advisors, participation on the Board's of other listed companies and training courses as required. Biographies of the Directors are available on the company website, www.orioleresources.com. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings by the Company Secretary. Service contracts are available for inspection at the Company's registered office and at the AGM.

New Directors are selected having regards to the Company's needs for a balance of operational, industry, legal and financial skills. Experience of the mining industry and in particular the exploration sector is important but not critical, as is experience of running a public company.

It is the Company's aim to have an appropriate level of gender balance on the Board, which currently sits at 60% male, 40% female.

Appointment, removal and re-election of Directors

The Board has established a Nominations Committee, comprising the Non-Executive Directors, to consider the need for further Board appointments, and to identify suitable candidates for recommendation to the Board. The Board makes decisions regarding the appointment and removal of Directors, and there is a formal, rigorous and transparent procedure for appointments. The Company's Articles of Association require that one-third of the Directors must stand for re-election by shareholders annually in rotation and that any new Directors appointed during the year must stand for re-election at the AGM immediately following their appointment.

Independent advice

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense, from lawyers, the nominated adviser, brokers and other professional advisors that they deem relevant. In addition, the Directors have direct access to the advice and services of the Company Secretary and Chief Financial Officer, who, due to the size of the Company, are currently the same individual.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board of Directors was fully refreshed in 2018, and has since been added to. During 2019 the Board adopted a policy to evaluate the Board's performance based on clear and relevant objectives, seeking continuous improvement. The clear and relevant objectives that the Board has identified are as follows:

- Suitability of experience and input to the Board;
- Knowledge of Corporate Governance matters including Environmental Social Governance ('ESG');
- Attendance at Board and committee meetings; and
- Interaction with management in relevant areas of expertise to ensure insightful input into the Company's business.

The Board recognises the importance of formally reviewing, on a regular basis, the effectiveness of its performances as a unit, as well as that of its committees and the individual directors, based against the criteria set out above. During the year, the Board carried out a Board Effectiveness Review, held internally but based on guidelines available from the Quoted Company Alliance. The primary findings of the review are the continuing need to keep knowledge and skill sets up to date, the continuing review of the need for a third non-Executive Director and ensuring that Board Meeting time was appropriately prioritised across the various matters for discussion.

This review is performed annually, with any actions arising monitored on a regular basis at Board Meetings. This ongoing process includes development or mentoring needs of individual directors or the wider senior management team, identifying any succession planning issues and putting in place processes to provide for such succession planning.

Principle 8: Promote a culture that is based on ethical values and behaviours

The Board aims to lead by example and do what is in the best interests of the Company. We operate in remote and under-developed areas and ensure our employees understand their obligations towards the environment and in respect of anti-bribery and corruption.

Details of the Company's values are set out in the Employee Handbook that was published to all employees during 2018. This document brings together various policies that have been distributed to all employees previously. Regular team calls and meetings serve to refresh and reiterate the Company's ethical standards as they apply to the operational issues that are discussed during such interactions.

In support of this, the Company engages with well respected advisers and contractors, with a track record of providing high-quality services and of operating in an ethical manner.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Board programme

The Board aims to meet approximately bi-monthly and as and when required, and has regular update calls. The Board sets direction for the Company through a formal schedule of matters reserved for its decision. During the year to December 2024, the Board met for seven scheduled meetings and one formal meeting to approve one specific resolution in respect of the change of CEO. The Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting and Board and Committee papers are distributed by the Company Secretary several days before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and are then followed up by the Company's management.

Roles of the Board, Chair and Chief Executive Officer

The Board is responsible for the long-term success of the Company. There is a formal schedule of matters reserved to the Board. It is responsible for overall Group strategy; approval of exploration projects; approval of the annual and interim results; annual budgets; dividend policy; and Board structure. It monitors the exposure to key business risks.

There is a clear division of responsibility at the head of the Company. The Chair is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction.

The CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Company. The CEO, together with the other Executive Directors and other senior employees, are responsible for establishing and enforcing systems and controls, and liaison with external advisers. The CEO has responsibility for communicating with shareholders, assisted by the other Executive Directors.

All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The Board reviews the update on performance and any significant variances are reviewed at each meeting.

Board committees

The Board is supported by the Audit, Remuneration and Nomination committees. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. The three committees comprise the Non-Executive Directors:

The Audit Committee provides a formal review of the effectiveness of the internal control systems, the Group's financial reports and results announcements, and the external audit process. The Committee meets at least twice per year to review the published financial information and to meet with the Auditors. The Report of the Audit committee is set out on page 44.

The Remuneration Committee provides a formal and transparent review of the remuneration of the Executive Directors and senior employees and makes recommendations to the Board on individual remuneration packages. The Committee met once during the year. The Remuneration Committee has produced a report on its activities as set out on page 42.

The Nomination Committee had its terms of reference established in June 2021. Its main activity in 2024 was the identification and recruitment of Martin Rosser as CEO following the resignation of Tim Livesey. In addition the Committee regularly considers the current Board composition and whether there was a need for an additional Non-Executive Director.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year results announcements, the AGM and one-to-one meetings with large existing or potential new shareholders. The Company regularly posts regulatory announcements on the LSE, covering operational and corporate matters such as drilling results and significant changes in ownership positions across historic projects in which it still retains an investment, and it holds regular online seminars for investors. Online seminars enable the Directors to provide an update on the Company and to answer questions submitted by investors either before or during the seminars. A range of corporate information (including all Company announcements and a corporate presentation) is also available to shareholders, investors and the public on the Company's corporate website, www.orioleresources.com, and also on its X feed, @OrioleResources.

The Board receives regular updates on the views of shareholders through briefings and reports from Investor Relations, the Executive Directors and the Company's brokers. The Company communicates with institutional investors frequently through briefings with management. In addition, analyst notes and broker briefings are reviewed to achieve a wide understanding of investor views.