



**CORPORATE
GOVERNANCE
REPORT
2024**

CHAIRMAN'S STATEMENT

As Chairman of Andrada Mining Limited, I am dedicated to leading our Board in upholding high standards of corporate governance, fostering a culture of integrity, accountability, and transparency. My role is pivotal in ensuring that we align our governance practices with our strategic objectives, ultimately supporting our long-term success.

We are committed to applying the QCA Corporate Governance Code, which we believe is essential for delivering value to our shareholders and stakeholders. Our governance framework includes a balanced Board with a mix of executive, and independent Directors, ensuring diverse perspectives and expertise. We delegate responsibilities to Board committees; Audit and Risk, Remuneration and Nomination, and Environmental, Social and Governance; while retaining overall accountability and promoting open dialogue. However, there are areas where our practices differ from the QCA Code. For instance, we did not conduct an external Board evaluation in the year under review.

In the past year, we have strengthened our governance arrangements by:

- Appointing Gida Nakazibwe Sekandi, an Independent Non-Executive Director and Hiten Ooka, an Executive Director, as Chief Financial Officer to enhance our expertise and diversity.
- Our ESG Committee which oversees our sustainability strategy has been instrumental in the publishing of our first Sustainability Report.
- Enhancing our risk management framework and implementing a new whistleblowing line to encourage the reporting of concerns.

We have also improved our shareholder engagement and reporting, holding regular discussions with major shareholders and enhancing our corporate website for better access to information. As we move forward, we will continue to refine our governance practices to ensure they are effective and aligned with our strategic goals. I am confident that our commitment to good governance will contribute to Andrada Mining's long-term success and create value for all stakeholders.

In what follows we outline how we apply each of the code's 10 key principles to our business.

GLEN PARSONS
Board Chairman
29 August 2024

PRINCIPLE 1

Establish a strategy and business model that promotes long-term value for shareholders.

Application

Andrada is listed on the AIM market of the London Stock Exchange. The Company's vision is to create a portfolio of world-class, conflict-free, multi-technology metal producing assets. Its flagship asset is the Uis Tin Mine in Namibia, formerly the world's largest hard-rock tin mine.

The Company has an experienced Board of Directors and highly skilled management team with a strategy to fast-track the expansion of Uis Mine production of tin concentrate and consolidate other quality tech-metal assets. We strive to capitalise on the solid supply and demand fundamentals of tech-metals by achieving production in the near term and further scaling up volumes by consolidating our tin assets in Africa.

The Board of Directors and management team integrate sustainable development principles into corporate strategies and decision-making processes. The Company endeavours to ensure that responsible health and safety, environmental, human rights and labour practices and policies are adopted by suppliers and contractors.

The Company is subject to a variety of risks, specifically those relating to the exploration and mining industry. We outline the principal risk factors facing the business and our mitigation of those risks in the Directors' Report.

PRINCIPLE 2

Seek to understand and meet shareholder needs and expectations.

Application

The Board is committed to maintaining effective communication by holding constructive dialogue with all its shareholders.

Management, led by the CEO, undertakes regular presentations and roadshows to investors as appropriate. This enables them to develop a balanced understanding of shareholders' issues and concerns, which they communicate to the Board.

The Company also keeps shareholders informed on its progress through public announcements, the Company's website and interviews on respected media platforms. All reports and press releases are published in the Investors section of the website.

PRINCIPLE 3

Consider wider stakeholder and social responsibilities and their implications for long-term success.

Application

The Board recognises that its prime responsibility is to promote the success of the Company for the benefit of its stakeholders. This success depends largely on the Company's relations with its stakeholders, both internal (employees and shareholders) and external (customers, suppliers, business partners and advisers).

We seek to work in collaboration with employees, community members and other stakeholders, with transparency and accountability. Open dialogue and engagement with community members at our sites is central to maintaining a successful relationship and ensuring long-term sustainability for all parties. The Company continually implements inclusive and supportive approaches with local communities to contribute to their economic and social well-being.

We endeavour to systematically examine the environmental impact of our operations and will adopt measures to mitigate this impact.

The goal is to minimise the negative environmental impacts of the processes involved in extracting tech-metals. At Uis, the non-chemical nature of ore beneficiation, combined with an ore that is largely free of harmful elements, contributes to a reduced level of environmental risk.

Nonetheless, the Company ensures compliance with its operational environmental management plan by continually monitoring dust, water and waste management.

The Company maintains a regular dialogue with key suppliers.

Managing human capital equitably and sustainably is central to the Company's project development strategy. We promote an inclusive work environment through our recruitment and remuneration policies and development initiatives. Within the bounds of commercial confidentiality, we communicate with all staff about matters that affect the progress of the Company and that interest and concern them as employees.

The Company has set up a share option scheme for employees, which gives them a stake in the Company's long-term success.

PRINCIPLE 4

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

Application

As an entrepreneurial business operating in emerging markets, the Company is subject to an elevated risk balanced by potentially greater rewards. The Board is mindful of and monitors both corporate and project risks.

The Board ensures that a risk management framework is in place that identifies and addresses all risks relevant to the execution of the Company's strategy. Key risks are regularly reviewed by the Board and are disclosed in the Directors' Report.

The Audit and Risk Committee receives feedback from the external auditor on the state of the Company's internal controls.

PRINCIPLE 5

Maintain the Board as a well-functioning, balanced team led by the Chairman.

Application

The Board is made up of the Chairman, five Non-Executive Directors and two Executive Directors (CEO and CFO).

The roles of the Chairman and CEO are clearly separated. The CEO is responsible for the day-to-day operational management of the business and is supported by a Chief Financial Officer, Chief Strategy Officer, Chief Operations Officer, geologists, engineers, and executive management.

The Chairman is responsible for the leadership and effective working of the Board, the implementation of sound corporate governance, setting the Board agenda, and ensuring that Directors receive accurate, timely and clear information.

The Chairman and Non-Executive Directors (Glen Parsons, Terence Goodlace, Laurence Robb, Michael Rawlinson and Gida Nakazibwe Sekandi) are independent of management and free to exercise independent judgement. We acknowledge that the Non-Executive Directors have share options; however, these are not significant enough to affect their independence.

The Board meets at least every quarter or at any other time deemed necessary for the good management of the business. In addition, the Board is kept updated through monthly Board update sessions. Every Director has attended all Board meetings while being a Director of the Company.

PRINCIPLE 6

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

Application

The Company's Directors were selected and appointed to the Board because of the skills, knowledge and experience they offer, considering the stage of the Company and the strategy it is pursuing. The Board composition and biographical details of Board members can be found on the Board of Directors page of the Company website.

The Board is ultimately responsible for adherence to sound corporate governance practices. It has constituted three committees to enable it to properly discharge its duties and responsibilities and to effectively guide its decision-making process.

The Directors have access to training (online training or external training courses) to ensure their skills are up to date. The Board and its committees also seek external expertise and advice where required.

As part of the induction programme conducted by the Company's nominated adviser, Directors are briefed on regulations that are relevant to their role as directors of an AIM-quoted Company.

Frans van Daalen (Chief Strategy Officer) and Chris Smith (Chief Operations Officer) attend Board meetings by invitation to provide input from a financial and operational perspective.

PRINCIPLE 7

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.

Application

The performance of the Board, its committees and the individual Directors are evaluated to ensure that Board members have the necessary skills, experience and abilities to fulfil their responsibilities. The Board views this as an integral part of corporate governance and has decided to conduct a Board evaluation process in the ensuing year.

The goal of the evaluation process is to identify and address opportunities for improving the performance of the Board and to solicit honest, genuine and constructive feedback. The Chairman is responsible for ensuring the evaluation process is fit for purpose as well as for dealing with matters raised during the process.

Management of succession planning is a vital task and a key measure of the Board's effectiveness.

PRINCIPLE 8

Promote a corporate culture that is based on ethical values and behaviour.

Application

The Company has a strong ethical culture that is promoted by the Board and management team. The Company strives to conduct its business in an ethical, professional and responsible manner, treating all employees, customers, suppliers and partners with equal courtesy.

PRINCIPLE 9

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

Application

The Board approves the Company's strategy and ensures that necessary resources are in place for the Company to meet its objectives. While the Board has delegated the operational management of the Company to the CEO and other senior management, several specific matters are subject to approval by the Board. These include:

- Annual budget.
- Interim and Annual Financial Statements.
- Management structure and appointments.
- Mergers, acquisitions, and disposals.
- Capital raising.
- Joint ventures and investments.
- Corporate strategy.
- Projects of a capital nature.
- Major contracts.

The Non-Executive Directors have a particular responsibility to constructively challenge the strategy proposed by executive management, to scrutinise and challenge performance, to ensure appropriate remuneration, and to ensure succession planning is in place for senior members of management. The senior management team have access to the Non-Executive Directors.

The Chairman is responsible for leading the Board and ensuring its effectiveness. The Chairman, with the assistance of the CEO, sets the Board's agenda and ensures there is enough time for discussion of all agenda items, including strategic issues.

The roles of the Audit and Risk Committee and the Remuneration and Nomination Committee are set out further in this report. The governance structures will evolve in parallel with the Company's objectives, strategy and business model to reflect the development of the Company.

PRINCIPLE 10

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

Application

The Board is committed to effective communication and constructive dialogue with all its stakeholders. It provides them with access to information to enable them to arrive at informed decisions about the Company.

The Investors section of the Company's website provides all required regulatory information as well as information shareholders may find helpful. This includes:

- Information on Board members, advisers, and significant shareholdings.
- A historical list of the Company's announcements.
- Corporate governance information.
- Historical annual reports and notices of general meetings.
- Share price information and interactive charts to help shareholders analyse performance.

Results of shareholder Annual General Meetings and details of votes cast are publicly announced through the regulatory system. These are then displayed on the Company's website with suitable explanations of any actions undertaken because of significant votes for or against resolutions.

THE BOARD OF DIRECTORS

Board

At Andrada, we select our Directors based on their skills and ensure their experience matches the requirements of the Company and our strategy. Board members' details, including their professional background information, can be found in the corporate section of our website - <https://andrada mining.com/corporate/leadership/>

The Board, through its committees, is the guardian of the Group's corporate governance practices and delegates the responsibility for instilling ethical practices and integrity to executive management. Members' conduct is regulated by a Board charter which defines the Board's authority and role as the governance structure with ultimate accountability and responsibility for the Group's conduct and performance.

The Board approves the Group's strategy and governance policies and provides oversight on their implementation. The Board delegates authority to the Executive Directors to manage the Group's operations according to the approved strategy and policies.

The Chairman is responsible for leading the Board and making sure it works efficiently, and the CEO manages the daily operations of the business. The Non-Executive Directors provide independent judgement, keeping the Board balanced, and are tasked with reviewing executive management performance.

Importantly, the Board ensures effective risk management by considering opportunities and threats throughout the Company. The Board regularly reviews key risks and makes sure there is a system in place for managing all relevant risks. Directors are equipped with up-to-date knowledge and provided with training to keep their skills updated. The Board is assisted by three committees that discharge their statutory responsibilities according to terms of reference and the Board charter.

The Board is comprised of:

Independent Non-Executive Chairman

- Glen Parsons (appointed 23 October 2017)

Independent Non-Executive Directors

- Laurence Robb (appointed 23 October 2017)
- Terence Goodlace (appointed 23 May 2018)
- Michael Rawlinson (appointed 20 December 2021)
- Gida Nakazibwe Sekandi (appointed 10 May 2023)

The Board has assessed the independence of all Non-Executive Directors and has concluded that they are considered independent, despite holding share options. While the QCA Code highlights share options as a potential compromise to independence, the Board believes that, due to the Company's nature and size, offering options is essential for attracting high-quality Board members. Furthermore, the Directors maintain that the scale of the individual share option awards is not substantial enough to impair the independence of the Directors.

Executive Directors

- Anthony Viljoen (appointed 23 October 2017)
- Hiten Ooka (appointed 10 May 2023)

Operational management in South Africa and Namibia is led by Anthony Viljoen, supported by a Chief Financial Officer (Hiten Ooka), Chief Strategy Officer (Frans van Daalen), Chief Operations Officer (Chris Smith), geologists, engineers, and executive management. Operational management is supported technically through various consultancy agreements. All press releases, including operational updates, are approved by the entire Board.

The Board met five times during the year. Board and committee membership and attendance for the year ended 29 February 2024 was as follows:

	NUMBER OF MEETINGS			
	Board (5)	Audit & Risk (4)	Remuneration & Nomination (2)	Environmental, Social & Governance (3)
Non-Executive Directors				
Glen Parsons	5*	4*	2	
Gida Nakazibwe Sekandi [∞]	5		2	2
Laurence Robb	5			2
Michael Rawlinson	5	4	2*	
Terence Goodlace [^]	5	1		3
Executive Directors				
Anthony Viljoen	5	4	2	3
Hiten Ooka [∞]	5	4	2	3

* Chairman

[∞] Appointed as member of the Board of Directors: 10 May 2023

[^] Appointed as member of ARC, Remuneration Committee & ESG Committee: 27 July 2023

Board committees

Board committees strengthen governance by assisting the Board in discharging its statutory responsibilities. All committees implemented their responsibilities during the year as set out in their terms of reference and are satisfied they fulfilled them during the year. The Chairmen of the committees report on their activities at each Board meeting that follows the committee meeting.

The Directors and committee members strive to attend all meetings held throughout the year. Their actual attendance is shown in the table above.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee meets at least twice a year and is composed exclusively of Non-Executive Directors: Glen Parsons (Chairman), Michael Rawlinson and Terence Goodlace, who was appointed to the committee on 27 July 2023. The CEO and CFO attend Audit and Risk Committee meetings by invitation. The committee is responsible for:

1. Reviewing the Annual Financial Statements and interim reports prior to approval.
2. Considering reports on internal financial controls, including reports from the auditor, and reporting auditor findings to the Board.

3. Considering the appointment of the auditor and their remuneration, including reviewing and monitoring their independence and objectivity.
4. Considering the effectiveness of the ERM programme to minimise the impact of downside risks on the Company.
5. Overseeing the implementation of an appropriate ethics and compliance programme and reviewing the utilisation of the whistleblowing hotline.

The Audit and Risk Committee is provided with the details of any proposed related-party transactions to consider and approve the terms of such transactions. The committee meets at least twice a year and met four times during the year.

Key focus areas in FY 2024

1. Considered the independence of the external auditors and their fee.
2. Reappointment of external auditors.
3. Implementation of a procurement procedure.
4. Implemented a policy on non-audit services.
5. Formalising the Enterprise Risk Management Programme.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee comprises Michael Rawlinson (Chairman), Glen Parsons and Gida Nakazibwe Sekandi, who joined the committee on 27 July 2023. The Committee assists the Board in monitoring and reviewing any matters of significance affecting the composition of the Board and the executive team, including:

1. Maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body.
2. Ensuring fair, responsible and transparent remuneration to recruit and retain the required skills to achieve business objectives in the short, medium and long term.

The Remuneration and Nomination Committee also assumes general responsibility for assisting the Board in respect of remuneration policies for the Company and to review and recommend remuneration strategies for the Company and proposals relating to compensation for the Company's Directors and employees. The committee meets at least twice a year and met three times this year.

Key focus areas in FY 2024

1. Nomination of two Directors, Gida Nakazibwe Sekandi and Hiten Ooka.
2. Implementation of the Remuneration Policy.
3. Drafting a balanced scorecard to measure performance.

A detailed Remuneration Report can be read on pages 48 to 60 of this report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

The Andrada ESG Committee meets quarterly and comprises Terence Goodlace (Chairman), Laurence Robb, Anthony Viljoen, and Gida Nakazibwe Sekandi, who joined the committee on 27 July 2023. The Head of Sustainability and other members of the executive team attend ESG Committee meetings by invitation. Other Board members also attend meetings by invitation.

The role of the ESG Committee is to assist the Board in fulfilling its oversight responsibilities, by reviewing and monitoring any matters relating to the management of workforce, community or environmental impacts in accordance with various ESG policies. The Committee also seeks to identify opportunities to strengthen the Company's licence to operate and to strengthen the sustainability and resilience of the communities and regions where it operates. Extensive details on the workstreams achieved under the guidance of the committee can be read in a separate FY 2024 Sustainability Report to be released in September 2024.

Key focus areas in FY 2024

1. Aligning our practices with global standards such as the IFC Performance Standards, and advancement towards Global Industry Standard on Tailings Management (GISTM) compliance.
2. Aligning with ICMM Mining Principles.
3. Finalisation of climate change scenarios.
4. Initiating a Biodiversity Action Plan, and the development of a biodiversity standard.