



Corporate Governance Report

as extracted from

Annual Report 2021
(pages 33 - 40)

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Dated: 13 May 2022

Corporate Governance Report

For the year ended 31 December 2021

The Quoted Companies Alliance Code ('QCA Code'; dated April 2018) takes key elements of good governance and applies them in a manner which is workable for the different needs of growing companies. The QCA Code is constructed around ten broad principles and a set of disclosures.

Cora Gold Limited's ('Cora' or the 'Company') directors recognise the importance of sound corporate governance, and with effect from 28 September 2018 the Company has adopted the QCA Code and has applied the ten principles of the QCA Code, except as specifically noted below. The Company's compliance with the QCA Code is as described below which sets out the manner of compliance with the QCA Code or states that the manner of compliance is described in the information provided on the Company's website at www.coragold.com.

Corporate Governance Statement

As an independent non-executive director and Chairman of the board of directors of the Company (the 'Board') it is my responsibility to ensure that the Company correctly implements and applies the ten principles of the QCA Code to support the Company in achieving its medium and long-term goals of identifying mineral resources through exploration for future development and eventual mining.

The Board believes that it applies the ten principles of the QCA Code but recognises the need to continue to review and develop governance practises and structures, to ensure they are in line with the growth and strategic plan of the Company.

The key governance related matter to have occurred during 2021 is a review of the Company's compliance with the QCA Code which was adopted by the Company in September 2018.

The Principles of the QCA Code

Principle 1: Establish a strategy and business plan which promote long-term value for shareholders

Cora has established a strategy and business plan which promote long-term value for shareholders. The strategy and business plan provides as follows:

- the principal activity of the Company and its subsidiaries (together the 'Group') is the exploration and development of mineral projects, with a primary focus on gold projects in West Africa. Currently the Group's activities are focused on two world class gold regions in Mali and Senegal in West Africa, being the Yanfolila Gold Belt (south Mali) and the Kédougou-Kéniéba Inlier gold belt (also known as the 'Kenieba Window'; west Mali / east Senegal); and
- the strategy of the Company is to: conduct exploration on its portfolio of mineral properties; prove a resource compliant with an internationally recognised standard accepted in the AIM Rules for Companies; and establish economics on such resource for future development and eventual mining.

Cora's business plan and strategy demonstrates how the Company's highly experienced and successful management team, which has a proven track record in making multi-million ounce gold discoveries that have been developed into operating mines, intends to deliver shareholder value in the medium to long-term.

The business and operations of the Group are subject to a number of risk factors. These risk factors and the Group's comments and mitigating actions against them are set out in the 'Strategic Report - Risk Factors' section of this Annual Report.

The strategy and business plan demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the Company from unnecessary risk and securing its long-term future.

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

The Board seeks to understand and meet shareholder needs and expectations by discussing the overall development of the Company's strategy regularly at meetings of the Board. This issue will be a standing point of business at each Board meeting. The Board will also seek to develop a good understanding of the needs and expectations of all elements of the Company's shareholder base by asking the Company's registrar to keep the directors informed of the change in identity of any significant shareholders.

The Board will work alongside its Nominated Adviser and other advisers to manage shareholders' expectations in order to seek to understand the motivations behind shareholder voting decisions. The Board will take into account

shareholder voting at any general meeting and any correspondence received by the Company from shareholders with respect to any matter relating to its business to further its understanding. Shareholders are encouraged to contact the Company - this can readily be done by email submission to info@coragold.com.

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

The Board understands that the Company's long-term success relies upon good relations with a range of different stakeholder groups, both its internal workforce and its external suppliers, customers, regulators and others.

Cora has identified the following internal stakeholders:

- the directors of the Company; and
- all members of the Company's management team (in compliance, administrative and field-based roles).

Cora has identified the following external stakeholders:

- suppliers of goods and equipment;
- drilling contractors;
- assay laboratories;
- securities regulators;
- local governments (Mali and Senegal);
- ministerial departments responsible for administering mineral exploration activities to take place; and
- local communities.

The Company will take into account wider stakeholder and social responsibilities, and their implications for long-term success.

Given the business and operations of the Company, matters may arise that impact on society and the communities within which it operates or the environments which may have the potential to affect the Company's ability to deliver shareholder value over the medium to long-term. In addition to integrating such matters into the Company's strategy and business plan, the Company has adopted a Health and Safety, Community Relations and Environmental Impact Policy which governs its social responsibility plans - the principal elements of this policy incorporate:

- health and safety responsibility;
- health and safety in the field environment (including supplies and camp conditions; infections / diseases; conflict evacuation; medical procedures and medical evacuation; vehicles; driving and passengers; travel; trenching; drilling; and mechanical equipment);
- community relations;
- environmental impact (planning; and minimising the impact of activities (including access; line cutting and soil sampling; trenching; drilling; field camps; and programme closure)); and
- reporting.

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

As described above, the Company's business and operations are subject to certain risks. The Board receives monthly updates from management on operational, investor and public relations, finance and administrative matters. In addition the Company's directors are encouraged to liaise and meet with management on a regular basis to discuss matters of particular interest to each director. The Company's management has implemented effective risk management, considering both opportunities and threats, throughout the organisation.

The Board shall ensure that the Company's risk management framework identifies and addresses all relevant risks in order to execute and deliver its strategy. The Company has considered its extended business, from key suppliers to end-customers in identifying and addressing risk.

The Board has developed a strategy to determine the extent of exposure to the identified risks that the Company is able to bear and willing to take.

Principle 5: Maintain the board as a well-functioning, balanced team led by the chair

As a Board the directors have collective responsibility and legal obligation to promote the interests of the Company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the Board. The Company holds Board meetings at least four times each complete financial year and at other times as and when required.

The Board currently comprises five directors (see below), three of whom are deemed to be independent non-executive directors for the purpose of corporate governance (being Andrew Chubb, David Pelham and myself (Edward Bowie, Chairman)).

As at the date of this report the Board consists of the following members:

Edward ('Ed') Bowie, Non-Executive Director (Independent) and Chairman

Ed has over 25 years' experience within the wider natural resources industry. He started his career with SAMAX Gold in Tanzania before going on to work in equity research, corporate finance roles, and then serving as fund manager for Altus Capital Limited's two mining funds. More recently he served as Head of Business Development at London-listed Amara Mining plc, managing the process that led to the company's acquisition. Ed is currently head of business development at Brazilian gold producer Serabi Gold plc (AIM:SRB and TSE:SBI).

Ed is deemed independent for the purpose of corporate governance by virtue of the Company considering him to be of independent character and judgement.

Andrew Chubb, Non-Executive Director (Independent)

Andrew is a Partner and Head of Mining at natural resources focused investment bank Hannam & Partners. Previously Andrew was a Managing Director at Canaccord Genuity, where he worked for 8 years in the natural resources team. He has a broad range of international corporate finance, restructuring, capital markets, and mergers and acquisitions experience focusing on the metals, mining and natural resources sectors. Prior to joining Canaccord Genuity he spent 4 years with law firm Berwin Leighton Paisner.

Andrew is deemed independent for the purpose of corporate governance by virtue of the Company considering him to be of independent character and judgement.

Robert ('Bert') Monro, Chief Executive Officer and Director

Bert has significant experience in both the resource sector and the City. Most notably, he spent over 10 years at Hummingbird Resources plc ('Hummingbird'; AIM:HUM), holding several roles including Operations Manager, Country Manager and Head of Business Development as the company transitioned from a private pre-resource explorer through to a listed gold miner with over 6 Mozs of gold resources in West Africa. Bert was a non-executive director of the Company from IPO in 2017 until 01 July 2019. On 02 January 2020 Bert was appointed Chief Executive Officer and Director of the Company.

Bert is deemed non-independent for the purpose of corporate governance by virtue of being an executive officer of the Company.

David Pelham, Non-Executive Director (Independent)

David is a mineral geologist with over 40 years' global exploration experience. He has overseen the discovery and early evaluation of the +6 Moz Chirano Gold Mine in Ghana, as well as Hummingbird's 4.2 Moz Dugbe gold deposit in Liberia. He has been closely involved with a number of major discoveries of gold, copper-cobalt, coal, iron ore, chrome and uranium. These new discoveries add up to over 100 Moz of gold equivalent. David is also a non-executive director of Oriole Resources plc (AIM:ORR).

Previously David was deemed non-independent for the purpose of corporate governance because until 26 June 2018 he was a director of Hummingbird, a former significant shareholder of Cora. Furthermore, in accordance with a Relationship Agreement dated 03 October 2017 (the 'Relationship Agreement') David was appointed to Cora's Board

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For the year ended 31 December 2021

as one of two nominees of Hummingbird. With effect from 06 December 2018 when Hummingbird's shareholding in the Company became less than 30% then, in accordance with the Relationship Agreement, Hummingbird no longer had the right to appoint two directors to Cora's Board. With effect from 15 June 2021, when Hummingbird ceased to be a shareholder of Cora, David is deemed independent for the purpose of corporate governance by virtue of the Company considering him to be of independent character and judgement.

Paul Quirk, Non-Executive Director

Paul has had over 10 years' operational experience in the Republic of Congo (Brazzaville), having worked as country manager for MPD Congo SA (Zanaga Iron Ore Company) which listed on AIM in 2010. He started his own logistics company in the Congo, Fortis Logistique Limited. Paul co-founded Lionhead Capital Advisors Proprietary Limited ('Lionhead'), a principal investment firm that invests private capital into attractive long-term opportunities. Paul is the head of resources strategy and a director at Lionhead.

Paul is deemed non-independent for the purpose of corporate governance by virtue of his shareholding in the Company.

The Company's Chief Financial Officer, Craig Banfield, is an executive officer of the Company. Mr Banfield also holds the position of Company Secretary. Cora upholds the values of independence in the composition of its Board and as such the directors are of the opinion that appointing Mr Banfield to the Board at this juncture, given the nature of the Company's business and its relatively small Board size, could dilute the significance of such independence. As Company Secretary Mr Banfield is in attendance at Board meetings.

As at 31 December 2021 and the date of this report the interests of the directors and their families (within the meaning set out in the AIM Rules for Companies) in the securities of the Company, all of which are beneficial, and the existence of which is known or could, with reasonable diligence, be ascertained by that director, were as follows:

	Number of ordinary shares	Share options over number of ordinary shares (exercise price per ordinary share; expiring date)			
		16.5 pence; 18 December 2022	8.5 pence; 09 October 2023	10 pence; 12 October 2025	10.5 pence; 08 December 2026
Edward Bowie	525,510	–	300,000	350,000	300,000
Andrew Chubb	539,526	–	–	300,000	250,000
Robert Monro	2,028,896	–	2,500,000	1,500,000	2,500,000
David Pelham	–	275,000	300,000	300,000	250,000
Paul Quirk	13,674,689 ^a	275,000	300,000	800,000	250,000

^a held personally and through Key Ventures Holding Ltd which is wholly owned and controlled by First Island Trust Company Ltd as Trustee of The Sunnega Trust, being a discretionary trust of which Paul Quirk is a potential beneficiary.

As at 31 December 2021 and the date of this report the Company's largest shareholder Brookstone Business Inc held 82,796,025 ordinary shares (being 28.59% of the total number of ordinary shares issued and outstanding). Brookstone Business Inc is wholly owned and controlled by First Island Trust Company Ltd as Trustee of The Nodo Trust, being a discretionary trust with a broad class of potential beneficiaries. Patrick Quirk, father of Paul Quirk (Non-Executive Director), is a potential beneficiary of The Nodo Trust. On 18 March 2020 Brookstone Business Inc, Key Ventures Holding Ltd and Paul Quirk (collectively the 'Investors') entered into a Relationship Agreement with the Company to regulate the relationship between the Investors and the Company on an arm's length and normal commercial basis. In the event that the Investors' aggregated shareholdings become less than 30% (as at the date of this report 33.32%) then the Relationship Agreement shall terminate.

The Company has established properly constituted AIM compliance and corporate governance, audit, and remuneration and nominations committees of the Board with formally delegated duties and responsibilities, summaries of which are set out below:

AIM compliance and corporate governance committee

The role of the AIM compliance and corporate governance committee is to ensure that the Company has in place sufficient procedures, resources and controls to enable it to comply with the AIM Rules for Companies and ensure appropriate wider corporate governance. The AIM compliance and corporate governance committee is responsible for making recommendations to the Board and proactively liaising with the Company's Nominated Adviser on compliance with the AIM Rules for Companies and broader corporate governance issues. The AIM compliance and corporate governance committee also monitors the Company's procedures to approve any share dealings by directors or employees in accordance with the Company's share dealing code. The AIM compliance and corporate governance committee meets at least twice a year.

During the year ended 31 December 2021 and as at the date of this report the members of the AIM compliance and corporate governance committee are Andrew Chubb (chair of the committee), Edward Bowie and David Pelham.

Audit committee

The audit committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It receives and reviews reports from the Group's management and external auditors relating to the interim and annual accounts, and the accounting and internal controls in use throughout the Group. The audit committee meets at least twice a year.

During the year ended 31 December 2021 and as at the date of this report the members of the audit committee are Andrew Chubb (chair of the committee), Edward Bowie and David Pelham.

Remuneration and nominations committee

The remuneration and nominations committee is responsible for providing recommendations to the Board on matters including the composition of the Board and competencies of directors, the appointment of directors, the performance of the executive directors and senior management, and making recommendations to the Board on matters relating to their remuneration and terms of employment. The committee will also make recommendations to the Board on proposals for the granting of shares awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time-to-time. The remuneration and nominations committee meets at least twice a year.

During the year ended 31 December 2021 and as at the date of this report the members of the remuneration and nominations committee are Edward Bowie (chair of the committee), Andrew Chubb and Paul Quirk.

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For the year ended 31 December 2021

Below is a table summarising the attendance record of each director at Board and committee meetings held during the year ended 31 December 2021:

	Committee			
	Board	AIM Compliance and Corporate Governance	Audit	Remuneration and Nominations
Number of meetings held:	7	2	2	2
Record of attendance:				
Edward Bowie	6 / 7	2 / 2	2 / 2	2 / 2
Andrew Chubb	5 / 7	2 / 2	2 / 2	–
Robert Monro	7 / 7	–	–	–
David Pelham	7 / 7	2 / 2	2 / 2	2 / 2
Paul Quirk	7 / 7	–	–	2 / 2

As Chairman of the Board I believe I lead a well-functioning and balanced team on the Board.

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

The biographical details of the directors are set out above. The biographies demonstrate that the Board has an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The directors understand the need for diversity, including gender balance, as part of its composition and will keep this under review. Currently the Board, comprising five persons, has three independent non-executive directors, being Andrew Chubb, David Pelham and myself.

The Board is not dominated by one person or a group of people. Although certain members of the Board have worked together previously these personal bonds are utilised to improve the operation and management of the Company and the directors are cognisant of the need to ensure that such relationships do not divide the Board.

The Board understands that as companies evolve, the mix of skills and experience required on the Board will change, and Board composition will need to evolve to reflect this change. Following a review by the AIM compliance and corporate governance committee during 2021 it is considered that at this stage there is no need to seek additional experience, skills and capabilities on the Board.

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

The Board has 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;
- 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 will review 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.

The Board performance review will be carried out internally from time-to-time, and at least annually. The review should identify development or mentoring needs of individual directors or the wider senior management team.

As part of the performance review, the Board will consider whether the membership of the Board should be refreshed. The review will also identify any succession planning issues and put in place processes to provide for succession planning.

As regards notable work of the remuneration and nominations committee undertaken during 2021, in November 2021 the remuneration and nominations committee reviewed Board and senior management performance and noted that:

- both senior management and non-executive directors make material contributions; and
- senior management perform very well in terms of corporate administration and governance, and in delivering work programmes on tight budgets and with good results.

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

The Board promotes a corporate culture that is based on ethical values and behaviours. The Board considers it an asset and source of competitive advantage to undertake its business and operations in an ethical manner. As such the Company has adopted a number of policies:

- Code of Conduct: This includes matters such as: compliance with law; disclosure of information; accounting records and practises; fair dealing; conflicts of interest; corporate opportunities; use of company property; safety and environmental protection; fundamental rights; responsibility; where to seek clarification; and reporting breaches;
- Group Anti-Corruption and Anti-Bribery Policy: The government of the United Kingdom ('UK') has issued guidelines setting out appropriate procedures for companies to follow to ensure that they are compliant with the UK Bribery Act 2010. The Company has conducted a review into its operational procedures to consider the impact of the Bribery Act 2010 and the Board has adopted an anti-corruption and anti-bribery policy;
- Share Dealing Code: The Company has adopted a share dealing code for dealings in securities of the Company by directors and certain employees which is appropriate for a company whose shares are traded on AIM. The share dealing code is based on the model code developed by the QCA and the Institute of Chartered Secretaries and Administrators. This constitutes the Company's share dealing policy for the purpose of compliance with UK legislation including the Market Abuse Regulation and the relevant part of the AIM Rules for Companies. Furthermore, insider legislation set out in the UK Criminal Justice Act 1993, as well as the provisions relating the market abuse, apply to the Company and dealings in its ordinary shares; and
- Social Media Policy: The Board has adopted a social media policy which is designed to minimise the risks to the Company's business arising from, and to assist directors and employees in making appropriate decisions about, the use of social media. In particular, the policy provides guidance that the disclosure on social media of commercially sensitive, price sensitive, private or confidential information relating to the Company is prohibited.

The policy set by the Board is obvious in the actions and decisions of the chief executive officer and the rest of the management team. Our corporate values guide the objectives and strategy of the Company and drive the strategy and business plan adopted by the Board.

The culture is visible in every aspect of the business, including recruitments, nominations, training and engagement. The Company's performance and reward systems endorse the desired ethical behaviours across all levels of the Company.

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

I believe the Company has adopted, and will maintain, governance structures and processes that are fit for purpose and support good decision-making by the Board. As noted above, the Company has AIM compliance and corporate governance, audit, and remuneration and nominations committees. The Board believes these committees provide for governance structures and processes in line with its corporate culture and appropriate to its size and complexity; and capacity, appetite and tolerance for risk.

These governance structures may evolve over time in parallel with the Company's objectives, strategy and business plan 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

The Company maintains a website at www.coragold.com which provides information about the Company's business plan and strategy, and provides updates on its operations and governance. In addition, the Company maintains a dialogue with shareholders and other relevant stakeholders by the issue of press releases as required by AIM.

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For the year ended 31 December 2021

The Company has adopted a communication and reporting structure which sets out the manner of open communication between the Board and all constituent parts of its shareholder base. From time-to-time the Company will participate in investor focused conferences and forums, and the Company will endeavour to make prior announcements of such engagements such that shareholders of the Company may wish to attend themselves and meet with those members of the Board and / or senior management who may be present. All members of the Board and senior management are encouraged to attend the Company's Annual General Meeting when shareholders in attendance will be encouraged to ask questions of the Board and the Company's senior management. This structure will assist:

- the communication of shareholders' views to the Board; and
- the shareholders' understanding of the unique circumstances and constraints faced by the Company.

The 'Remuneration Report' section of this Annual Report sets out a number of matters including: the responsibilities and duties, and membership of the remuneration and nominations committee; remuneration of directors (both executive and non-executive) and senior management; policy on remuneration; pensions; and notable work of the remuneration and nominations committee undertaken during 2021.

A separate 'Audit Committee Report' has not been included in this Annual Report on the grounds that there were no material matters arising either during 2021 or subsequently.

Notable work undertaken during 2021 by other Board committees includes:

- in May 2021 the audit committee met with the Company's independent auditor in connection with the audit of the consolidated financial statements of Cora for the year ended 31 December 2020, and it was noted that there were no material matters arising; and
- in December 2021 the AIM compliance and corporate governance committee reviewed the Company's compliance with the QCA Code which was adopted by the Company in September 2018.

In conclusion I am pleased to lead a Board and a Company that continues to strive to make improvements in all areas of its activities with a view to ultimately benefiting all of our stakeholders.

I hope that you embrace our philosophy and approach to conducting our business, as we continue to look forward to being able to report back to you on our developments.

Approved by the board of directors and signed on behalf of the board of directors on 13 May 2022.

Edward Bowie

Non-Executive Director (Independent) and Chairman

13 May 2022