CORPORATE GOVERNANCE STATEMENT

The Board of Directors is committed to maintaining good standards of corporate governance and as such has established corporate governance policies and procedures that are, where appropriate and practical, consistent with the ASX Corporate Governance Council's Principles and Recommendations (4th edition).

The following statement sets out a summary of the Group's corporate governance practices that were in place during the financial year ended 30 June 2026.

Principle 1: Lay solid foundations for management and oversight

Role of the Board

The Board is governed by the Corporations Act 2001, ASX listing rules and a formal constitution.

The Board's primary role is the protection and enhancement of shareholder value.

The Board takes responsibility for the overall Corporate Governance of the Group including its strategic direction, management goal setting and monitoring, internal risk control, risk management and financial reporting.

The Group has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Statement of Delegations to Management.

Board processes and management

The Board has an established framework for the management of the Group including a system of internal control, a business risk management process and appropriate ethical standards. To assist in the execution of its responsibilities, the Board has an Audit Committee to deal with internal control, ethical standards and financial reporting. The Group's Board Charter details specific functions reserved for the board (see www.iondrive.com.au/investors/corporate-governance/).

Formal agreements are entered into upon the appointment of any Director or senior executive setting out the terms of their employment.

Formal deeds have been entered into by the Company with Directors whereby all Directors are entitled to take such legal advice as they require at any time, and from time to time, on any matter concerning or with regards to their rights, duties, and obligations as Directors in relation to the affairs of the Company or Group.

The Chairman is responsible for evaluation of the Board and, when deemed appropriate, Board committees and individual Directors. The Board is responsible for evaluating the performance of the Chief Executive Officer.

The Board undertakes appropriate checks on appointing a casual vacancy, or before putting forward a candidate to shareholders for the appointment of a new Director, including on the candidate's experience, qualifications, character criminal and bankruptcy history.

Before the engagement of new Directors particulars of the new appointee's curriculum vitae are referenced checked with a minimum of 2 nominated referees and other background checks as appropriate.

Newly appointed Non-Executive Directors must stand for election at the next Annual General Meeting. The Company will provide shareholders in the Notice of Meeting information about each Director standing for election or re-election, including their background and expertise along with length of service.

The Board, its committees and individual Directors are subject to ongoing evaluation by the Chairman.

The Chief Executive Officer's performance is evaluated as part of their annual remuneration review, with their performance reviewed against established objectives. These objectives are defined in alignment with the strategic aims of the Group. A review was formally undertaken in relation to the year ended 30 June 2026.

The Board undertakes a formal Board performance review each year using anonymous questionnaires which are then summarised and presented to the Board for review and discussion. An evaluation of the Board was undertaken in relation to the financial year ended 30 June 2026.

The Chief Executive Officer is responsible for conducting an evaluation of the performance of senior executives. The review is conducted against pre-agreed performance objectives. An evaluation of senior executives was conducted where appropriate, in relation to the year ended 30 June 2026.

The Company Secretary is directly accountable to the Board through the Chairman on all matters for the proper functioning of the Board.

Diversity Policy

The Group does not have a formal diversity policy and gender diversity targets given its current size. Notwithstanding this, the Group strives to provide the best possible opportunities for current and prospective employees of all backgrounds in such a manner that best adds to overall shareholder value that is based upon an applicant's ability to fulfil the required role.

For the financial year ended 30 June 2026, the proportion of women employed by the Group as employees or contractors was 18%. None of the executive management positions or the Board positions were held by women.

Principle 2: Structure the Board to be Effective and Add Value

Composition of the Board

The names of the Directors of the Company and terms in office at the date of this Statement together with their experience and expertise are set out in the Directors' Report section of the Annual Report. The Directors' terms in office and experience are considered appropriate for a publicly listed company of Iondrive's size and nature of its operations.

The composition of the Board currently consists of five Directors of whom all five are Non-Executives and four considered independent. The Board considers that Messrs Turner, Schumann, Sissian and Slater are independent Directors. Mr McNeilly, being appointed by an agreement by a substantial shareholder, is not considered independent.

The Board maintained a majority of independent Directors throughout the year ended 30 June 2026.

For the year ended 30 June 2026, the Board does not comply with the ASX Corporate Governance Council's best practice recommendation that the Chairman is an independent Director. Mr McNeilly was appointed as Chairman on 31 July 2023. While Mr McNeilly is a Non-Executive Director, he is not considered independent as noted above. In the vast majority of matters considered by the Board, Mr McNeilly's role as Managing Director of Strata Investment Holdings Plc, a substantial shareholder of Iondrive, is not in conflict with his responsibilities as a Director of Iondrive. In the rare situations that may be perceived as giving rise to a conflict of interest, McNeilly excludes himself from Board deliberations and voting.

The appointment date for each Director is as follows;

Mr Michael McNeilly was appointed 5 June 2021

Mr Adam Slater was appointed 4 December 2023

Mr Andrew Sissian was appointed 12 June 2024

Mr Hugo Schumann was appointed 3 December 2024

Dr Duncan Turner was appointed 19 January 2026

The Group does not have a Nomination Committee. The Board has determined that, due to the small size of the Board, all Non-executive Directors should be involved in the nominations process. The Board regularly reviews its Skills and Diversity Matrix to identify any gaps in the appropriate skills, experience and balance to the Board, in addition to diversity and independence.

The mix of skills and diversity that the Board currently has and assesses itself against is as follows:

- Technology Design, Engineering and Commercialisation
- Urban Mining / Metals Recycling
- Project Management
- Finance
- Listed Company
- Mergers & Acquisitions
- Capital Markets
- Strategy
- Governance
- Occupational Health and Safety
- Environmental

The Group has reviewed the skills matrix and is satisfied that all skill areas of focus are adequately covered with the current Directors' experience and skills.

The Company's constitution stipulated that the number of Directors must be at least three and no more than ten. The Board may at any time appoint a Director to fill a casual vacancy. Directors appointed by the Board are subject to election by shareholders at the following annual general meeting and thereafter Directors are subject to re-election at least every three years.

New Directors undertake an induction programme appropriate to their experience and all Directors are provided access to professional development opportunities, in order to maintain and improve upon skills and knowledge needed for them to perform their duties effectively.

Principle 3: Instil a Culture of Acting Lawfully, Ethically and Responsibly

Code of Conduct & Values

The Group requires all its Directors and employees to abide by the highest standards of behaviour, business ethics, and in accordance with the law. In discharging their duties, Directors are required to:

- Act in good faith and in the best interests of the Group;
- Exercise care and diligence that a reasonable person in that role would exercise;
- Exercise their powers in good faith for a proper purpose and in the best interests of the Group;
- Not improperly use their position or information obtained through their position to gain a personal advantage or for the advantage of another person to the detriment of the Group;

- Disclose material personal interests and avoid actual or potential conflicts of interests;
- Keep themselves informed of relevant Group matters;
- Keep confidential the business of all Directors meetings; and
- Observe and support the Board's Corporate Governance practices and procedures.

Ethical standards

The Group aims for the highest standard of corporate governance and ethical behaviour by its Directors and employees.

All Directors are required to provide the Company with details of all securities registered in the Director's name or an entity in which the Director has a relevant interest within the meaning of section 9 of the Corporations Act 2001.

Directors are required to disclose to the Board any material contract in which they may have an interest. In accordance with section 195 of the Corporations Act 2001, a Director having a material personal interest in any matter to be dealt with by the Board, will not be present when that matter is considered by the Board and will not vote on that matter.

Whistleblowing Policy and Anti-Bribery and Corruption Policy

The Group encourages a culture within it of "speaking up" to raise concerns about possible unlawful, unethical or socially irresponsible behaviour of other improprieties of or within the Group without fear of retaliation. The Group's detailed Whistleblower Policy can be found at www.iondrive.com.au/investors/corporate-governance/.

The Group has developed an Anti-Bribery and Corruption Policy which prohibits Directors, Officers and Employees from engaging in activity that constitutes bribery or corruption.

These policies are reviewed by the Board annually.

Trading in the Company's Securities

Directors, officers and employees are not permitted to trade in securities of the Company at any time whilst in possession of price sensitive information not readily available to the market. Section 1043A of the Corporations Act 2001 also prohibits the acquisition and disposal of securities where a person possesses information that is not readily available and which may reasonably be expected to have a material effect on the price of the securities if the information was generally available.

Principle 4: Safeguard the Integrity of Corporate Reports

Each financial reporting period, the Board receives written assurance from the Chief Executive Officer and the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act 2001 is founded on a sound system for risk management and internal controls, and that it is operating effectively in all material respects in relation to the financial reporting risks.

Audit Committee

Iondrive Limited has an Audit Committee to oversee the Group's internal controls, ethical standards, financial reporting, and external accounting and compliance procedures.

The committee currently consists of two Non-executive Board Directors, Messrs Sissian and Schumann (both of whom, are independent Directors), and is chaired by Mr Sissian. Mr Sissian is a CPA and Mr Schumann is a CFA charterholder, a former CFO and chair of the audit committee of a NYSE-listed company; both have prior audit committee experience with other listed companies.

The main responsibilities of the Audit Committee are to:

- Monitor the integrity of the financial statements of the Group and review significant financial reporting changes.
- Review the Group's internal financial control system. The Board itself monitors the risk management process.
- Make recommendations to the Board in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor.
- Monitor and review the external auditor's independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements.
- Develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

The committee is to meet at least twice a year, with further meetings on an as required basis. The committee has authority to investigate any activity within its terms of reference or any matter specifically requested by the Board. The committee has unrestricted access to all records and staff of the Group including full access to the external auditors. The committee is authorised by the Board to obtain outside legal or other independent professional advice as necessary to assist the committee.

The committee met twice in the year ended 30 June 2026.

The Board has determined that given the size and level of complexity of the Group's financial reporting, that a committee of two members is sufficient to meet the objectives of safeguarding integrity in financial reporting.

Verifying the Integrity of Periodic Corporate Reports

The Group releases periodic corporate reports that are not subject to audit, nor reviewed by an auditor. To ensure the integrity of such releases and reports, the Group requires appropriately qualified personnel with all relevant information available to them to support the release or report. All releases and reports are reviewed by Directors and/or other authorised personnel in accordance with the Group's delegation of authority.

Principle 5: Make Timely and Balanced Disclosure

Continuous Disclosure

The Group operates under the continuous disclosure requirements of the ASX Listing Rules and ensures that all information, apart from information which is confidential, and ASX has not formed the view that the information has ceased to be confidential, which may be expected to affect the value of the Company's securities or influence investment decisions is released to the market in order that all investors have equal and timely access to material information concerning the Group. This information is made publicly available on the Group's website following release to the ASX.

The Directors of the Company review and approve all material market announcements in advance of their release.

Principle 6: Respect the Rights of Security Holders

Information about the Company and its Governance

The Group has a website, www.iondrive.com.au, whereby information about the Group and its governance are provided. The website includes information about the Board, senior employees and core business activities, along with periodic reports and disclosures.

Communication with shareholders

The Board aims to ensure that shareholders are informed of all major developments affecting the Group's state of affairs. In accordance with the ASX Corporate Governance Council best practice recommendations, information is communicated to shareholders as follows:

- The annual financial report which includes relevant information about the operations of the Group during the year, changes in the state of affairs of the entity and details of future developments, in addition to other disclosures required by the Corporations Act 2001;
- The half yearly financial report lodged with the Australian Securities Exchange and Australian Securities and Investments Commission and sent to all shareholders who request it;
- Regular presentations to shareholders and potential investors;
- Notifications relating to any proposed major changes in the Group which may impact on share ownership rights that are submitted to a vote of shareholders;
- Notices of all meetings of shareholders;
- The Group, via its share registry, allows shareholders to receive and send communications electronically;
- Publicly released documents including the full text of notices of meetings and explanatory material made available on the Group's internet web-site at www.iondrive.com.au ; and
- Disclosure of the Group's Corporate Governance practices and communications strategy on the internet website.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the Group's strategy and goals. Important issues are presented to the shareholders as single resolutions and are decided by poll. The external auditor of the Group is also invited to the Annual General Meeting of shareholders and is available to answer any questions concerning the conduct, preparation and content of the auditor's report. Pursuant to Section 249K of the Corporations Act 2001 the external auditor is provided with a copy of the notice of meeting and related communications received by shareholders.

Principle 7: Recognise and manage risk

Risk Assessment and Management

The Group does not have a dedicated committee to separately monitor risk management. The Board recognises that there are inherent risks associated with the Group's operations including legal, financial/funding, technology obsolescence, intellectual property, environmental, and other operational risks. Key risks applicable to the Group are documented in a risk register, reviewed by the Board, at least semi-annually or otherwise where there is a material change in the Group's activities. Key risks are also considered as an inherent part of the annual strategy, business planning and budgeting processes. A summary of the Group's key risks is provided below.

The Group, due to its size, does not have an internal audit function, but relies upon a segregation of duties and the Board's active participation in material transactions.

The Board considers the effectiveness of the risk management and control framework, as part of the annual strategy, business planning and budgeting processes, and where appropriate during the annual Board performance review.

Intellectual Property Risks

The Group seeks to protect its intellectual property through patents, trademarks, trade secrets, copyright and know-how. In particular, the Group has patents over its core technologies and continually looks to extend patent protection as it progresses the application of the IonSolv™ technology to new applications.

Whilst the Group protects its intellectual property through these measures, there can be no guarantee that there will not be any unauthorised use or misuse of its intellectual property or reverse engineering of its technologies by competitors. If the Group fails to protect its intellectual property, competitors may gain access to proprietary information which could harm the Group's business.

There is a risk that the Group will not be able to register or otherwise protect new intellectual property it develops in the future. Competitors may be able to work around any of the applications or other intellectual property rights used by the Group, or independently develop technologies or competing products that are not covered by the Group's intellectual property rights. This may materially adversely impact the Group's future revenue, legal expenses and profitability.

If the Group believes its intellectual property rights have been infringed, it may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of the Group's rights. Any litigation, whether or not successful, could result in significant expense to the Group and divert the efforts of its personnel. In addition, any infringement could result in revenue loss and may be detrimental to the Group's reputation and brand value.

The commercial success of the Group is, to a large extent, reliant upon its intellectual property being suitably protected and providing the Group with enforceable rights (through the registration of patents and trade-marks). The Group cannot provide assurance that the patents, trade marks or other intellectual property in existence today or created in the future will be able to be adequately protected.

Technical Risks

The Group is currently commercialising a number of technologies which includes continued research and development of the technologies at a larger scale. There is an inherent risk that the desired level of performance at scale is not achieved or takes longer to achieve than expected. There is also a risk that supporting infrastructure, such as a pilot plant or trials conducted at third party facilities, may be more expensive, or take longer to construct, than expected.

Key Person Risks

Being a small company with rapid growth ambitions, Iondrive is reliant on individuals holding critical knowledge, skills, relationships and decision-making responsibilities. The departure or prolonged absence of such individuals may delay key initiatives. This risk will reduce as the Company expands operations, enabling improved succession planning, cross-training, knowledge transfer and delegated authorities.

Development Risks

The development of the proposed magnet recycling facility in Oklahoma remains subject to the Board's final investment decision, successful financing, engineering, commissioning, customer product qualification, execution of definitive agreements, regulatory approvals and other matters customary for projects of this nature. Once approved for development, the facility will be subject to

further risks including the potential for the development timeframes and/or expenditure to exceed expectations.

Competitor Risks

The Group's competitors in existing and emerging related technologies may seek to develop similar technologies that may compete directly or indirectly with the Group's technologies. This has the potential to impact the future growth prospects of the Group. If competitors develop products or technologies that are more effective, the Group's current or future technologies may become obsolete or uneconomic.

Commodity Pricing Risks

The economics of the Group's IonSolv™ technology ultimately rests on the resale value of the minerals or metals being recovered. Therefore, the economic value and prospects for commercialisation of this technology is impacted by the fluctuating global pricing of certain minerals and metals. In some cases, the impact may be mitigated by similar changes in the price to purchase the feedstock for the recycling process.

Regulatory & Geopolitical Risks

Government policies in the target markets of Australia, the US and the EU impact global commercialisation opportunities for the Group's technologies. Key areas of government policy impacting the attractiveness of the Group's technologies include trade restrictions such as prohibiting the exporting of end-of-life scrap material, recycling regulations such as minimum recycle content, restriction on importing certain products, minerals or metals and the level of government support to promote industry particularly in relation to the renewable energy sector and access to critical minerals.

Feedstock Supply Chain Risks

For the Group's IonSolv™ technology, trialling the technology, testing at scale and ultimately establishing a commercial scale plant, all reply on access to sufficient feedstock. The Group seeks to mitigate this risk through the early engagement of industry collaboration partners and consortiums. However, this remains a key risk in progressing towards the establishment of commercial scale operations for the IonSolv™ technology.

Financial Sustainability Risks

The ability to fund future operations during the Group's technology commercialisation phase is reliant upon the successful realisation of equity raising in the public markets and non-dilutive funding through government grants. In this regard, key practices undertaken by the Board and senior executives to manage financial sustainability risk include:

- Continuously promoting the Group into various equity capital markets;
- Applying for multiple government grants in the targeted markets of the US, Australia and the EU;
- Cost saving initiatives and the minimisation of overheads, which are constantly reviewed; and
- Cash management reviewed by the Board against approved budgets.

Exchange rate risk

The Group operates internationally and therefore fluctuations in prevailing exchange rates may negatively affect the Group's profitability and financial position. Unhedged and unfavourable movements in foreign exchange rates may have an adverse effect on the Group's cost of operating or future revenue prospects. The most common foreign currencies to be used are US dollars and the Euro.

Principle 8: Remunerate Fairly and Responsibly

Remuneration Policy

The Group does not have a remuneration committee due to the small number of employees in the Group. The Board manages the remuneration review process.

The Company's Constitution specifies that the total amount of remuneration of Non-executive Directors shall be fixed from time to time by a general meeting. The current maximum aggregate remuneration of Non-executive Directors is set at $350,000 per annum. Directors may apportion any amount up to this maximum amount amongst the Non-executive Directors as they determine. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as directors.

The remuneration of the Chief Executive Officer is determined by the Board as part of the terms and conditions of his employment which are subject to review from time to time. The remuneration of employees is determined by the Chief Executive Officer subject to the approval of the Board.

Further details of Directors' and executives/officers' remuneration, superannuation and retirement payments are set out in the Remuneration Report within the Annual Report of the Group.

The Group has an active Employee Incentive Scheme, designed to provide eligible employees and contractors/consultants an incentive aligned to creating shareholder value.

Performance Evaluation

The Board evaluates the performance of the Chief Executive Officer on a regular basis and encourages continuing professional development.