

## TAX STRATEGY

# POLICY

Doc. ID: PML-FIN-POL-10247

## APPROVAL AND REVIEW

REV. NO.	PREPARED/ UPDATED BY	REVIEWED	APPROVED	DATE	DESCRIPTION/ CHANGE EFFECTED
01	Group Tax Manager	Audit & Risk Committee	Perseus Board	27/08/2024	Original

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## 1. PURPOSE

This **Tax Strategy** describes Perseus Mining Limited's (**Company**) approach to tax and applies to all controlled entities that form part of the Perseus Mining Group (**Perseus** or the **Group**).

The Strategy is approved by the Board of the Company in respect of the financial year ended 30 June 2024, and is reviewed at least annually, or following any material change to the business or to the legislation that may impact this Strategy.

## 2. INTRODUCTION

The various taxes Perseus pays to host countries are an integral component of our economic contributions and the Group's commitment to contribute to the sustainable development of the communities and countries in which we operate. This includes mineral royalties, direct and indirect taxes, withholding taxes, employment taxes and other mandatory payments to communities and governments. Perseus sees the fulfillment of its tax obligations as part of the process of creating long-term value for all stakeholders and believes a responsible approach to tax is an integral part of any sustainable business.

## 3. TAX STRATEGY

Perseus is subject to the tax regimes of multiple jurisdictions and manages tax risks under the following principles<sup>1</sup>:

- Perseus complies with all relevant tax legislation, payment of taxes, tax lodgement obligations and associated disclosure requirements in a timely manner and consistent with the Group's objectives.
- Tax decisions shall be those that are permitted under local tax laws. Where the local tax laws are open to interpretation, Perseus will be guided by industry practice and/or external advice. Perseus will seek not to pay more tax than is properly due under a reasonable interpretation of the law.
- Perseus employs appropriately qualified and trained tax professionals; all tax sensitive decisions are taken with the appropriate levels of expertise and understanding, and appropriate advice is taken from external advisers where needed.
- Perseus follows the "arm's length" principle for all material intercompany transactions in accordance with transfer pricing principles.
- Perseus seeks to maintain open and constructive relationships with tax authorities.

## 4. GOVERNANCE

Tax risk is recognised as a material risk in Perseus's Enterprise Risk Management Framework. A failure to comply with applicable tax laws, regulations or rulings or a failure to meet other tax authority requirements or expectations can result in significant adverse financial or non-financial impacts. Perseus aims to protect the reputation of the Group in relation to tax matters.

The Board, via the Audit and Risk Committee (ARC), is accountable for how tax risks are monitored, ensuring that appropriate controls are in place, and is ultimately accountable for the Group's compliance with the Group Tax Strategy. While the Chief Financial Officer has overall responsibility for tax matters, the day-to-day operational responsibility for the execution of Tax Strategy resides with the Group Tax Manager, who

<sup>1</sup> In line with Perseus's Tax Risk Governance Framework approved by the Company's Audit and Risk Committee

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manages tax risks and ensures that appropriate processes and systems are in place for identifying, evaluating, and monitoring tax risk<sup>2</sup>.

The Group Tax Manager proactively engages and communicates regularly with the Board, the ARC and others within the Group so as to adopt a ‘no surprises’ approach to the management of material tax risk.

Perseus engages external tax advisors as part of managing the tax risk profile. Tax authorities routinely review the operating entities’ tax returns.

The Group’s Code of Conduct governs the conduct of Perseus Directors and employees and applies in attending to any tax matters. The management of concerns related to tax matters is covered by the Group’s Whistle Blower Policy, which reflects our commitment to encourage speaking up about any concerns regarding the conduct or practices of Perseus or any of its employees, directors and officers, without fear of reprisals.

Perseus’s Transfer Pricing Policy is aligned with the Organisation for Economic Co-Operation and Development (OECD) guidelines as well as the guidelines of the various jurisdictions in which Perseus operates<sup>3</sup>.

## 5. APPROACH TO TAX PLANNING

Perseus complies with the tax laws in the countries in which it operates and creates value by paying the right amount of tax, at the right time.

All tax planning has commercial and economic substance, and the Group does not engage in planning that is contrived or artificial. Through the Group’s mergers and acquisitions activities, targets may be acquired that may include companies in tax havens or other existing structures. However, the Group aims to rationalise and manage these structures, and as such tax havens are not introduced for tax planning purposes. Perseus does not participate in tax evasion or facilitate the evasion of tax by a third party in any way.

Perseus may be entitled to industry standard tax concessions in the course of its normal business but has no appetite for transactions motivated by the avoidance of tax.

## 6. APPROACH TO ENGAGING WITH TAX AUTHORITIES

Perseus seeks to maintain open, constructive, pro-active and timely relationships with tax authorities to better understand the legislative and administrative systems in place around tax and the evolving expectations of our host countries, which in turn enables the Company to better manage risks and opportunities. Perseus always seeks to work collaboratively with tax authorities to resolve disputes where tax laws may be unclear. The Company will seek to defend a tax transaction or decision in the courts where it believes a tax authority has made an incorrect assessment under the law.

## 7. INDUSTRY GROUPS

Perseus participates in relevant industry forums and consultation processes as appropriate, to ensure it remains engaged with current tax issues and developments.

<sup>2</sup> The approach to tax risk is informed by the Enterprise Risk Management Framework and strategy, taking into account both financial and non-financial Consequences in the ERM Risk Matrix

<sup>3</sup> AUS-FIN-POL-0556 Transfer Pricing Policy is applied such that the pricing is defensible in the relevant jurisdictions.

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## 8. REPORTING

Perseus is committed to transparent annual reporting on the flow of revenues across our value chain and publishes tax, royalty and other payments to governments annually, by country and project. The Company reports annually under the Canadian Extractives Sector Transparency Measures Act (ESTMA) and supports the work of the Extractive Industries Transparency Initiative (EITI) and its efforts to promote revenue transparency and accountability. Perseus also includes this information in its audited Annual Report, which combines our financial, operational and sustainability reporting, on the Perseus website, as guided by GRI 207: Tax.

Cross border intercompany transactions are disclosed to the relevant tax authorities as required. Perseus is also subject to and compliant with country-by-country reporting requirements.

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