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## BOARD CHARTER

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### 1. PURPOSE

The Board Charter defines the operation of the Board of Directors, its role, composition and responsibilities and the separation of the role of the Board from that of the management. The conduct of the Board is also governed by the Constitution of the Company and the *Corporations Act 2001*.

### 2. BOARD COMPOSITION

The Board shall consist of:

- a majority of independent Non-Executive Directors;
- Directors with an appropriate range of skills, knowledge, experience and expertise;
- Directors who can understand and competently deal with current and emerging business issues; and
- Directors who can effectively review and challenge the performance of management and exercise independent judgement.

#### 2.1. Independence

An independent director is a non-executive director, that is not a member of management and according to the independence standards established by applicable corporate and securities laws.

The Board only considers Directors to be independent where they are independent of management and free of any business or other relationship that could materially interfere with the exercise of their independent judgment. The Board has adopted a definition of independence that is based on that set out in the ASX Corporate Governance Council's Principles and Recommendations and any standards or guidelines as the Board may adopt from time to time.

#### 2.2 Term

The Board has not adopted a tenure policy. All Directors are expected to continue as Directors only for so long as they have the confidence of their fellow Board members and the confidence of the Company's shareholders.

The Company believes Directors who have been able to develop over a period of time, increasing insight in the Company and its operation and therefore an increasing contribution to the Board as a whole.

In accordance with the Constitution of the company and the ASX Listing Rules, no Director shall hold office for a continuous period in excess of three years or past the third annual general meeting following the director's appointment, whichever is the longer, without submitting for re-election.

## 2.3 Selection of new directors

The Board has not yet formed a separate nominations committee, candidates for Board positions shall be selected and decided by the full Board of Directors.

In selecting new members for the Board, Directors shall have regard to the appropriate skills and characteristics needed by the Board as a whole. The Directors shall endeavour to appoint individuals who would provide the mix of director characteristics and diverse experiences, perspectives and skills appropriate for the company.

New Directors are provided with a letter of appointment which sets out the key terms and conditions of their appointment. New Directors participate in an induction programme to enable them to gain an understanding of:

- the company's financial, strategic, operational and risk management position;
- their rights, duties and responsibilities; and
- the role of Board committees.

## 3 BOARD RESPONSIBILITIES

The Board has delegated authority for the operations and administration of the company to the Chief Executive Officer (CEO).

The Board is responsible for:

- (i) setting the company's values and standards of conduct and ensuring that these are adhered to, in the interests of the company's shareholders, employees, customers, suppliers and the communities in which it operates and, generally safeguarding the reputation of the company;
- (ii) providing leadership of the company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- (iii) setting the company's direction, strategies and financial objectives and ensuring that the necessary financial and human resources are in place for the company to meet its objectives;
- (iv) ensuring that the performance of management, and the Board itself, is regularly assessed and monitored;
- (v) monitoring compliance with regulatory and ethical standards; and
- (vi) appointing, terminating and reviewing the performance of the CEO.

## 4 ACCESS TO INFORMATION AND INDEPENDENT ADVICE

- (a) Directors may have access to any information that they individually or collectively consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions.
- (b) Directors are entitled, with the approval of the Chairman of the Board, to seek independent professional advice at the Company's expense. Whenever practicable, the advice must be commissioned in the joint names of the Director and the Company, and a copy of the advice should be made available to the Board.

## **5 CHAIRMAN**

- (a) The Board will appoint one of its members to be Chairman.
- (b) It is intended that the Chairman should be an independent Non-Executive Director who is not a current or former CEO of the Company.
- (c) The Chairman represents the Board to the shareholders and communicates the Board's position.
- (d) Where the Chairman is absent from a Board meeting, a chairman for the meeting will be appointed by the present members of the Board.
- (e) The Board may nominate a senior independent Director to assume the role of Chairman whenever the Chairman is conflicted in relation to a particular topic.

## **6 SEPARATION OF FUNCTIONS BETWEEN THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

### **6.1 Chairman**

The role and responsibilities of the Chairman are to:

- (i) chair Board and shareholder meetings and set the Board's agenda, allowing adequate time for discussion of all agenda items, in particular strategic issues;
- (ii) ensure the efficient organisation and conduct of the Board's function;
- (iii) brief all Directors in relation to issues arising at Board meetings and lead the Board in reviewing and discussing Board matters;
- (iv) facilitate effective contribution by all Directors;
- (v) ensure that Non-Executive Directors meet separately, as appropriate, to consider, amongst other things, management's performance;
- (vi) review corporate governance matters with the Company Secretary and report on those matters to the Board;
- (vii) oversee the process for Board performance review; and
- (viii) monitor the role of the Company Secretary.

### **6.2 Chief Executive Officer**

The Chief Executive Officer is responsible for:

- (i) implementing strategic objectives, plans and budgets approved by the Board, and providing effective leadership, direction and supervision of the management team to achieve the objectives, plans and budgets adopted by the Board.
- (ii) setting policy direction of the operations of the company;
- (iii) leading efficient and effective operation of the company;
- (iv) ensuring directors are provided with accurate and clear information in a timely manner to promote effective decision-making by the Board;
- (v) ensuring all material matters affecting the company are brought to the Board's attention;

- (vi) maintaining regular communication with the Chairman on operational and strategic matters relating to the company.

## **7 SECRETARY**

The Company Secretary is accountable to the Board, through the Chairman, on matters to do with the proper functioning of the Board. All Directors will have direct access to the Company Secretary. The responsibilities are:

- (i) act as a point of contact between the Board and management;
- (ii) assist the Board and its Committees on governance matters;
- (iii) monitor policies and procedures of the Board and Committees are followed;
- (iv) organise Board and Committee meetings, calendar invites and Director attendance, notices of meetings and resolutions for approval, and coordinate the dispatch of Board and Committee meeting papers via an appropriate secure online digital platform or in hard copy;
- (v) record the business of Board and Committee meetings in the minutes. Circulate minutes from Board and Committee meetings to the Board for comment and approval of those minutes as being a true, complete and accurate reflection of the Board and Committee deliberations;
- (vi) advise the Company on compliance with its requirements under the Corporations Act regarding its registered office, annual returns and notices to be lodged with the Australian Securities and Investments Commission and ASX.

## **8 BOARD MEETINGS**

The Directors shall hold at least 6 meetings in each calendar year. Material for Board meetings is circulated to the Directors in advance. The agenda for meetings is drawn up with input from the Chairman, the CEO and senior executives. Directors are free to nominate matters for inclusion on the agenda for each meeting.

## **9 MINUTES OF MEETINGS**

Proceedings of all meetings are taken in minutes and signed by the Chairman of the meeting. Minutes of all Board meetings are circulated to Directors and approved by the Board at the subsequent meeting.

## **10 REVIEW OF CHARTER**

The Board will review this Charter annually to ensure it remains consistent with the Board's objectives and responsibilities.