Board Charter

1 Board role and responsibilities

The role of the Board is to set the strategic direction for the Company, to select and appoint the Managing Director and oversee the Company's management and business activities.

The Board is responsible for:

(a) providing leadership and setting the strategic objectives of the Company;

(b) appointing the chair and senior independent director;

(c) appointing, and when necessary replacing the chief executive officer (or equivalent);

(d) formally resolving to appoint and, when necessary, to remove the company secretary;

(e) approving the appointment and, when necessary, the removal of other senior executives;

(f) overseeing management's implementation of the Company's strategic objectives and its performance generally;

(g) approving budgets and major capital expenditure;

(h) monitoring the financial performance of the Company and overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;

(i) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities, including the adoption of appropriate policies and procedures, and monitoring their operation;

(j) ensuring that the Company has in place an appropriate risk management framework, setting the risk appetite within which the Board expects management to operate and assessing the effectiveness of management's implementation of the risk management framework;

(k) approving the Company's remuneration framework;

(l) monitoring the effectiveness of the Company's governance practices, including formulating and adopting, monitoring compliance with and reviewing, appropriate governance policies and procedures;

(m) if considered appropriate, establishing measurable objectives for achieving gender diversity in accordance with the Company's Diversity Policy, and annually reviewing those objectives and the Company's progress towards achieving them;

(n) monitoring compliance with all of the Company's legal obligations, such as those obligations relating to the environment, native title and occupational health and safety;

(o) appointing the external auditor (where applicable, based on recommendations of the Audit Committee) and the appointment of a new external auditor when any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company;

(p) making regular assessment of whether each non-executive director is independent in accordance with the Company's policy and guidelines of relationships affecting independent status as set out in the Appendix to this Board Charter;

(q) providing overall corporate governance of the Company, including conducting regular reviews of the division of functions between the Board and management to ensure that it continues to be appropriate to the needs of the Company; and

(r) approving the annual, half-yearly and quarterly accounts; and

(s) approving the Company's annual corporate governance statement prepared in accordance with ASX Listing Rule 4.10.3.

The Board may delegate the matters listed above to a committee of the Board, with the Board retaining the ultimate oversight and decision-making power in respect of the matters delegated.

Directors must carry out their role in accordance with their legal duties.

2 Management role and responsibilities

2.1 Managing Director

The Board has delegated responsibility for the day-to-day running of the Company to the Managing Director.

The Managing Director is responsible for:

(a) implementing the strategic objectives and operating within the risk appetite set by the Board;

(b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the Authority Threshold as defined in section 2.3;

(c) providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities. The Managing Director is responsible for reporting all matters which exceed the Authority Threshold to the Board. All reports to the Board must present a true and fair view of the Company's financial condition and operational results;

(d) appointing and, where appropriate, removing senior executives, including the chief financial officer and the company secretary, with the approval of the Board; and

(e) evaluating the performance of senior executives.

2.2 Other senior executives

The Company's senior executives (management) are those people who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance.

Management's role is to support the Managing Director and assist the Managing Director implement the strategic objectives set by the Board and the day-to-day running of the Company, in accordance with the delegated authority of the Board.

Management is responsible for:

(a) implementing the strategic objectives and operating within the risk appetite set by the Board;

(b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the Authority Threshold as defined in section 2.3; and

(c) providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities. Senior Executives are responsible for reporting all matters which exceed the Authority Threshold at first instance to the Managing Director or, if the matter concerns the Managing Director, then directly to the Chairperson or the senior independent director, as appropriate.

2.3 Authority thresholds

(a) Any matter that is outside the delegated authority of the Managing Director or the senior executives (as appropriate) as set out in the Company's delegated authority matrix as approved by the Board from time to time (**Delegated Authority Matrix**).

(b) Any matter that:

(i) impacts on the reputation of the Company;

(ii) will, or could potentially, involve a breach of applicable laws;

(iii) is outside the ordinary course of business;

(iv) could affect the Company's rights to its assets;

(v) involve a contingent liability that would have a probable effect of more than $50,000 on balance sheet or profit and loss items.

(c) Contracts will be considered material if:

(i) they are outside the ordinary course of business;

(ii) they contain exceptionally onerous provisions in the opinion of the Board;

(iii) they impact on income or distribution in excess of $50,000;

(iv) any default, should it occur, may trigger any of the tests in paragraph (b), or exceed the relevant amounts in the Delegated Authority Matrix;

(v) they are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests;

(vi) they contain or trigger change of control provisions;

(vii) they are between or for the benefit of related parties; or

(viii) they otherwise trigger a threshold in the Delegated Authority Matrix.

Any matter which falls within the above guidelines is a matter which exceeds the authority threshold (**Authority Threshold**).

3 Board composition

3.1 General

The Board should be of an appropriate size, composition and comprise members with the skills and commitment to enable it to discharge its duties effectively.

3.2 Independence

The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board. Where practical and consistent with the Company's stage of development, a majority of the Board should be comprised of independent directors, and the Chairperson should be an independent non-executive director. The Board will determine whether a director is independent in accordance with the guidelines set out in the Appendix to this Board Charter, and will assess at least on an annual basis whether each of the non-executive directors is independent or not.

3.3 Review of Board composition

Board composition should be reviewed annually by the Board against the Company's Board skills matrix to ensure that the directors possess the mix of skills and diversity necessary to meet the requirements of the Company.

4 Chairperson

Where practical, the Chairperson should be an independent non-executive director.

The Chairperson is responsible for leading the Board, facilitating the effective contribution of all directors and promoting constructive and respectful relations between directors and between the Board and management.

The Chairperson is also responsible for:

(a) setting the Board's agenda, in conjunction with the Managing Director and Company Secretary, and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;

(b) shareholder communication (subject to the role of the Disclosure Officer as set out in the Compliance Procedures); and

(c) arranging evaluation of the performance of the Board, individual director and Board committees (where applicable).

Any other position which the Chairperson may hold either inside or outside the Company should not hinder the effective performance of the Chairperson in carrying out their role as Chairperson of the Company.

5 Senior independent director

Where the Chairperson is not an independent director, a senior independent director will be appointed. The senior independent director will:

(a) take over the role of the Chairperson whenever the Chairperson is conflicted;

(b) assist the Board in reviewing the performance of the Chairperson; and

(c) provide a separate channel of communication for security holders (especially where those communications concern the Chairperson).

6 Board processes

6.1 Board meetings

The Board must convene meetings with such frequency as is sufficient to appropriately discharge its responsibilities. It is usual practice for the Board to meet at least six times per year. Board meetings are held in accordance with the Company's constitution.

6.2 Conflicts

A director must inform the Chairperson as soon as the director is aware of any conflict or potential conflict of interest which that director may have in relation to any particular item of business. Unless decided otherwise by the other members of the Board, the Director should be absent from discussion and decision on that matter. Directors must strictly observe and comply with the requirements of the Corporations Act and the Company's constitution in relation to the conflicts.

6.3 Independent professional advice

If a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval for incurring such expense from the Chairperson, the Company will pay the reasonable expenses associated with obtaining such advice.

Where it is the Chairperson who is seeking the independent professional advice, the role of the Chairperson to consider and provide approval as set out above should be carried out by the senior independent director.

6.4 Continuing professional development

The Nomination Committee (or equivalent) reviews whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment to fulfil their role on the Board (and on any relevant Board committees) and, where any gaps are identified, consider what training or development could be undertaken to fill those gaps. Requests by individual directors for approval of professional education courses may be made to the Company Secretary, and where a request is approved, the cost of the course will be met by the Company.

6.5 Non-executive directors

Non-executive directors may meet without executive directors or other senior executives at times scheduled from time to time. Such meetings may be facilitated by the Chairperson, or the senior independent director, as appropriate.

7 Company secretary

The Company Secretary is accountable directly to the Board, through the Chairperson, on all matters to do with the proper functioning of the Board. The Company Secretary's role is to support the effectiveness of the Board and its committees. Each director should be able to communicate directly with the Company Secretary and vice versa.

The responsibilities of the Company Secretary include:

(a) advising the Board and its committees on governance matters;

(b) monitoring that Board and committee policy and procedures are followed;

(c) coordinating the timely completion and despatch of board and committee papers;

(d) ensuring that the business at board and committee meetings is accurately captured in the minutes; and

(e) helping to organise and facilitate the induction and professional development of directors.

8 Board committees

The Board may from time to time establish committees to assist it in carrying out its responsibilities. For each committee, the Board should adopt a charter setting out the committee's composition, role, operations, responsibilities, authority and resources and any other relevant matter. The appointment of a chairperson and members of the committee will be made by the Board.

9 Review

This Board Charter will be reviewed annually, and updated as required.

Appendix – Policy and guidelines of relationships affecting independent status

It is the Board's policy that in determining a director's independence, the Board considers the factors relevant to assessing the independence of a director as set out in Box 2.3 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) as follows:

An independent director is a director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its security holders generally.

Examples of interests, positions, associations and relationships that may affect a director's independence status include if the director:

(a) is, or has been, employed in an executive capacity by the Company or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the Board;

(b) is, or has within the last three years been, a partner, director or senior employee of a provider of material professional services to the Company or any of its child entities;

(c) is, or has been within the last three years. in a material business relationship (e.g. as a supplier or customer) with the Company or any of its child entities, or an officer of, or otherwise associated with, someone with such a relationship;

(d) is a substantial security holder of the Company or an officer of, or otherwise associated with, a substantial security holder of the Company;

(e) has a material contractual relationship with the Company or any of its child entities other than as a director;

(f) has close family ties with any person who falls within any of the categories described above; or

(g) has been a director of the Company for such a period that his or her independence may have been compromised.

In each case, the materiality of the interest, position, association or relationship needs to be assessed to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its security holders generally.

The mere fact that a director has served on the Board for a substantial period of time does not mean that he or she has become too close to management to be considered independent. However, as part of its assessment of independence, the Board will regularly assess the independence of any director who has served as a director of the Company for more than 10 years to determine whether they have been a director for such a period that his or her independence has been lost.