

Board Charter

1. The Role of the Board

The role of the Board is to provide leadership for and supervision of the Company's senior management. The Board provides the strategic direction of the Company and regularly measures the progression by senior management of that strategic direction.

2. Role of Senior Management

Those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance are considered to be part of senior management. The role of senior management is to progress the strategic direction provided by the Board. In particular, the chief executive officer, or equivalent, is responsible for the day-to-day activities of the Company in advancing the strategic direction.

3. Responsibilities of the Board

The primary objective of the Board is to provide strategic guidance and oversight of management. The Board is ultimately responsible for, and has authority over, management of the Company and its controlled entities.

The Board is collectively responsible for promoting the success of the Company by:

- a) overseeing the Company, including its control and accountability systems;
- b) appointing the chief executive officer, or equivalent, for a period and on terms as the directors see fit and, where appropriate, removing the chief executive officer, or equivalent;
- c) ratifying the appointment and, where appropriate, the removal of senior executives, including the chief financial officer and the company secretary;
- d) evaluating the performance of senior executives;
- e) approving the Company's policies on risk oversight and management, internal compliance and control, Code of Conduct, and legal compliance;
- f) satisfying itself that senior management has developed and implemented a sound system of risk management and internal control in relation to Financial reporting risks and reviewed the effectiveness of the operation of that system;
- g) assessing the effectiveness of senior management's implementation of systems for managing material business risk including the making of additional enquiries and to request assurances regarding the management of material business risk, as appropriate;
- h) monitoring, reviewing and challenging senior management's performance and implementation of strategy;
- i) ensuring appropriate resources are available to senior management;
- j) approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;
- k) approving the annual budget of the Company;
- l) monitoring the financial performance of the Company;
- m) purchase, restructure, winding up or sale of business entities, divisions and subsidiaries other than in the ordinary course of business;

- n) purchase or sale of shares in other companies, other than in the ordinary course of business;
- o) ensuring the integrity of the Company's financial (with the assistance of the Audit Committee, if applicable) and other reporting through approval and monitoring;
- p) providing overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure division of functions remain appropriate to the needs of the Company;
- q) 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;
- r) engaging with the Company's external auditors and Audit Committee (where there is a separate Audit Committee);
- s) monitoring compliance with all of the Company's legal obligations, such as those obligations relating to the environment, native title, cultural heritage and occupational health and safety; and
- t) make regular assessment of whether each non-executive director is independent in accordance with the Company's Policy on Assessing the Independence of Directors

The Board may not delegate its overall responsibility for the matters listed above. However, it may delegate to senior management the responsibility of the day-to-day activities in fulfilling the Board's responsibility provided those matters do not exceed the Materiality Threshold as defined below.

4. Materiality Threshold

The Board has agreed on the following guidelines for assessing the materiality of matters:

Materiality – Quantitative

Items are also material if:

- a) they impact on the reputation of the Company;
- b) they involve a breach of legislation or may potentially breach legislation;
- c) they are outside the ordinary course of business;
- d) they could affect the Company's rights to its assets;
- e) if accumulated they would trigger the quantitative tests;
- f) they involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items; or
- g) They will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.

Material Contracts

Contracts will be considered material if:

- a) they are outside the ordinary course of business;
- b) they contain exceptionally onerous provisions in the opinion of the Board;

- c) they impact on income or distribution in excess of the quantitative tests;
- d) any default, should it occur may trigger any of the quantitative or qualitative tests;
- e) 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;
- f) they contain or trigger change of control provisions;
- g) they are between or for the benefit of related parties; or
- h) they otherwise trigger the quantitative tests.

Any matter which falls within the above guidelines is a matter which triggers the materiality threshold ("**Materiality Threshold**").

5. Statement of Position or Authority

The division of responsibilities between the Chair, the lead independent director, if any, and the Managing Director is set out below.

6. Responsibilities of the Chair

The Chair is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the briefing of all directors in relation to issues arising at Board meetings. The Chair is also responsible for shareholder communication and arranging Board performance evaluation. The Chair should facilitate the effective contribution of all directors and promote constructive and respectful relations between directors and between board and senior management.

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

7. Responsibilities of the Lead Independent Director

Where the Chair is not an independent director, a lead independent director will be appointed. The lead independent director will take over the role of the Chair when the Chair is unable to act in that capacity as a result of their lack of independence.

8. Responsibilities of the Managing Director

The Managing Director is responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out their responsibilities the Managing Director must report to the Board in a timely manner on those matters included in the Company's risk profile, all relevant operational matters and any other matter that is likely to have to fall within the Materiality Threshold.

All reports to the Board must present a true and fair view of the Company's financial condition and operational results.

The Managing Director is also responsible for appointing and, where appropriate, removing senior executives, including the chief financial officer and the company secretary, with the approval of the Board.

9. Responsibilities of Non-Executive and/or Independent Directors

The Board determines whether each of the non-executive directors of the Company is independent on a regular basis in accordance with its Policy on Assessing the Independence of Directors. The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board. In making this determination, the Board takes into account the skills and experience required, in the context of the Company's operations and activities.

The independent directors may meet without other directors present, if appropriate.

The non-executive directors may meet without senior management present at times scheduled from time to time. Such meetings may be facilitated by the Chair or the lead independent director, as appropriate.

10. Responsibilities of Directors and Officers

Individual directors should devote the necessary time to the tasks entrusted to them. All directors should consider the number and nature of their directorships and calls on their time from other commitments.

Directors and officers of the Company should be aware of their legal obligations, some of which are set out in the Overview of Duties Imposed on Directors of Public Companies.

11. Responsibilities of Senior Management

Senior Management is responsible for supporting the Managing Director and to assist the Managing Director implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Senior Management is responsible for reporting all matters which fall within the Materiality Threshold at first instance to the Managing Director or, if the matter concerns the Managing Director, then directly to the Chair or the lead independent director, as appropriate.

12. Board Meetings

The Board and each Board committee should meet in a prearranged cycle and follow agreed meeting guidelines to ensure all directors are made aware of all agenda items and are provided with all necessary information to enable them to participate in informed discussion.

Subject, to the approval of the Chair, Senior Executives nominated by the Managing Director should attend Board and Committee meetings. However, certain matters will be considered with only the Directors in attendance.

13. Committees of the Board

The Board will establish Committees to assist it in discharging its responsibilities effectively and efficiently.

The Board has established the following standing committees:

- (1) Audit and Risk Committee; and
- (2) Remuneration Committee.

Each committee should have its own written charter setting out its role and responsibilities, composition, and the manner in which the committee is to operate. Unless the Board expressly delegates power to a Committee, Committees will not have decision-making power but will make recommendations to the Board for decision.

The committee charter should be reviewed regularly and should be available on the Company's website.

The Board will:

- (1) appoint the Chairman of each committee;
- (2) appoint the members of each committee; and
- (3) approve any changes to each committee charter.

14. Ethical Standards

Directors must be aware and transparent regarding actual and potential conflicts of interest. The Board should be made aware when a Director believes there is a conflict or potential conflict of interest, to allow assessment of the materiality of the conflict, and ensure the Board processes are carried out appropriately. Unless approval by the Chair, the Director should be absent from discussion and decision on that matter for so long as any conflict exists.

Directors must comply with the Company's Code of Conduct.