

Board Charter

1. Role of the Board

This Board charter sets out the principles for the operation of the Board of Directors of the Company and describes the functions of the Board and those functions delegated to management of the Company.

The Board is accountable to shareholders for the performance of the Company. The Board must at all times act honestly, fairly and diligently in all respects in accordance with the laws applicable to the Company and must act in the best interests of the shareholders of the Company and other stakeholders.

This Board Charter and the charters adopted by the Board for the Committees established by the Board have been prepared and adopted on the basis that corporate governance and good governance procedures can add to the performance of the Company and the creation of shareholder value.

2. Responsibilities of the Board

2.1 Board responsibilities

The Board is responsible for the management of the affairs of the Company, including:

(a) Strategic and financial performance

- Developing and approving the corporate strategy.
- Evaluating, approving and monitoring the strategic and financial plans of the Company.
- Evaluating, approving and monitoring the annual budgets and business plans.
- Evaluating, approving and monitoring major capital expenditure, capital management and all major corporate transactions, including the issue of securities of the Company.
- Appointment of the Chairman of the Company.

(b) Executive management

- Appointing, monitoring, managing the performance of, and if necessary terminating the employment of the Managing Director. The Board will consider the Managing Director's authorities and accountabilities, as well as performance indicators to provide monitoring benchmarks.
- Managing succession planning for the positions of Managing Director and such other key management positions which may be identified from time to time.
- Liaising with the Managing Director in relation to the appointment and termination of such key management positions which may be identified from time to time.

(c) Strategic planning

The Board will be actively and regularly involved in strategic planning and reviewing, developing and considering strategic planning issues.

Strategic planning will be based on the identification of opportunities and the full range of business risks that will determine which of those opportunities are most worth pursuing.

The Board will, on an ongoing basis, review with management how the strategic environment is changing, what key business risks and opportunities are appearing, how they are being managed and what, if any, modifications in strategic direction should be adopted.

(d) Corporate governance

The Board must review and approve all disclosures related to any departures from the ASX principles of good corporate governance.

The Board must review and approve the disclosure of any of the Company's policies and procedures to the general public.

The Board will supervise the public disclosure of all matters that the ASX best practice recommendations recommend be publicly disclosed consistent with the Continuous Disclosure Policy approved by the Board.

The Board will establish and monitor performance and reporting of Committees of the Board.

- Appointment of Directors to Committees established by the Board.
- The Board will approve and monitor delegations of authority.

3. Structure of the Board

3.1 Overview

The Board determines the size and composition of the Board subject to the terms of the Constitution of the Company.

The Directors appoint the Chairman of the Board. The Managing Director is to be an executive Director.

3.2 Directors

Each Director is bound by all the Company charters, policies and codes of conduct, including without limitation:

- the Company's Code of Conduct;
- the Company's Share Trading Policy; and
- the Company's Continuous Disclosure Policy.

The Directors of the Company shall:

- (a) conduct their duties at a high level of honesty and integrity;
- (b) observe the law and comply with applicable standards;
- (c) maintain the confidentiality of all information acquired in the course of conducting the role and not make improper use of, or disclose to third parties, any confidential information

unless that disclosure has been authorised by the Board, or is required by law or by the ASX Listing Rules;

- (d) observe the principles of independence, accuracy and integrity in dealings with the Board, Board committees, internal and external auditors and senior management within the Company;
- (e) disclose to the Board any actual or perceived conflicts of interest, whether of a direct or indirect nature of, which the Director becomes aware of and which the Director reasonably believes may compromise the reputation or performance of the Company; and
- (f) set a standard of honesty, fairness, integrity, diligence and competency in respect of the position of Director.

4. Confidential Information

The Board has established the following principles to apply in respect of information of the Company:

- (a) the Board will approve the nature of any information to be disclosed to any third party and the manner in which such information can be disclosed;
- (b) all Directors, including any Directors nominated by a shareholder, are required to keep all information provided to them in their capacity as a Director confidential.

5. Conflicts of interest

The Directors of the Company are required to act in a manner which is consistent with the best interests of the Company as a whole free of conflicts of interest.

If a Director considers that he or she might be in a position where there is a reasonable possibility of conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of the Company or his or her duties to the Company, on the other hand, the Board will require that the Director:

- (a) fully and frankly informs the Board about the circumstances giving rise to the conflict; and
- (b) if such conflict is a material personal interest, abstains from voting on any motion relating to the matter and absenting himself or herself from all Board deliberations relating to the matter including receipt of Board papers bearing on the matter.

If a Director believes that he or she may have a conflict of interest or duty in relation to a particular matter, the Director should immediately consult with the Chairman.

6. Meetings

6.1 Overview

The Board will ordinarily meet not less than 11 times formally per annum and as frequently as may otherwise be required to deal with urgent matters.

The Chairman should ensure the availability and, if necessary, the attendance at the relevant meeting, of any member of executive management responsible for a matter included as an agenda item at the relevant meeting.

6.2 Agenda

An agenda will be prepared for each Board and committee meeting. The agenda will be prepared by the Company Secretary in consultation with the Chairman and the Managing Director.

The following items will be standing items on the Agenda unless otherwise determined by the Chairman:

- Approval of minutes of previous meeting
- Report by the Managing Director
- Reports of the Audit Committee (if conducted since the last Board Meeting)
- Report of the Company Secretary on continuous disclosure

7. Board committees

The Board has not established any Committees due to the nature and size of the Company.

8. Independent advice

Subject to Board approval, a Director of the Company is entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of his or her responsibilities. Any advice received shall be circulated to the Board of Directors.

9. Remuneration

The level of non-executive Director remuneration will be set by the Board and is subject to any Listing Rule or Corporations Act requirements.

10. Continuous Disclosure

The Board has adopted a policy related to the continuous disclosure obligations of the Company under the ASX Listing Rules. The Company Secretary will oversee the implementation of that policy and the Board will consider continuous disclosure as a standing item at Board meetings.

11. Independence

A director will be considered an independent director if the director:

- (a) is not a substantial shareholder of the Company, being a shareholder who does not have more than a 5% interest in the Company;
- (b) has not been employed within the last 3 years as an executive of the Company;
- (c) has not within the last 3 years been a principal of a material professional adviser or consultant to the Company;
- (d) is not a material supplier, customer or other contractor of the Company; and
- (e) is otherwise considered by the Board to be independent.