

Board Charter

1.1 The Board

(a) Overall Responsibility

The Board is responsible for the overall management and strategic direction of the Company and for delivering accountable corporate performance in accordance with the Company's goals and objectives. In performing its role, the Board's specific responsibilities include:

- providing strategic direction and deciding upon the Group's strategies and objectives in conjunction with the CEO;
- monitoring the strategic direction of the Group and the attainment of its strategies and objectives in conjunction with the executive;
- monitoring the operational and financial position and performance of the Group;
- driving corporate performance and delivering shareholder value;
- assuring a prudential and ethical base to the Group's conduct and activities for the benefit of all its stakeholders;
- ensuring the principal risks faced by the Group are identified and that appropriate control and monitoring systems are in place to manage the impact of these risks;
- reviewing and approving the Group's internal compliance and control systems and codes of conduct;
- ensuring that the Group's financial and other reporting mechanisms result in adequate, accurate and timely information being provided to the Board;
- appointing and, where appropriate, removing the CEO, monitoring other key executive appointments, and planning for executive succession;
- overseeing and evaluating the performance of the CEO and through the CEO receiving reports on the performance of other senior executives in the context of the Group's strategies and objectives and their attainment;
- reviewing and approving the CEO's and, in conjunction with the CEO, other senior executive remuneration;
- approving the Group's budgets and business plans and monitoring the progress of major capital expenditures, capital management and acquisitions and divestitures;

- ensuring that financial results are appropriately and accurately reported on a timely basis;
- ensuring the Group's systems and processes operate so as to assure compliance with all laws, governmental regulations and accounting standards;
- ensuring that the Group's affairs are conducted with transparency and accountability;
- ensuring appropriate and effective remuneration policies for the Group; and
- ensuring succession planning and that the Board is comprised of individuals who are well able to discharge the responsibilities of directors of the Company.

(b) Board Members (Appointment & Remuneration)

- (i) Members of the Board are appointed in the terms of the Company's Constitution.
- (ii) Although the election of Board members is substantially the province of the Shareholders in general meeting, the Company commits to the following principles:
- The Board comprise of Directors with a blend of skills, experience and attributes appropriate for the Group and its businesses.
 - The principal criterion for the appointment of new Directors is their ability to add value to the Group and its businesses.
- (iii) The maximum remuneration of non-executive Directors is the subject of Shareholder resolution in accordance with the Company's Constitution, and the Corporations Act as applicable. The apportionment of non-executive Director remuneration within that maximum will be made by the Board having regard to the inputs and value to the Group of the respective contributions by each non-executive Director. The Board may award additional remuneration to non-executive Directors called upon to perform extra services or make special exertions on behalf of the Group.

(c) Agreement by Board Members

Upon their appointment Board members are to be issued a formal letter of appointment (for signing and acceptance by them at the time of their appointment). By accepting appointment to office, the Board member agrees to subscribe to and be bound by the Constitution and this Charter.

(d) Access and Indemnity Deed and D&O Insurance

The Company will execute with each Director a Deed of Access and Indemnity in such reasonable industry accepted form settled by the Company's lawyers and approved by the Board.

The Company will arrange for the benefit of each Director, subject to cover availability at commercially acceptable premiums to the satisfaction of the Board, a policy of directors' and officers' insurance in such reasonable industry accepted form approved by the Board after advice taken from the Company's insurance brokers.

(e) Board Meetings

(i) Procedures

- (A) As far as possible, Agendas and supporting papers shall be despatched a reasonable period in advance of the meeting.
- (B) A meeting may be cancelled by the Chairman if there is insufficient business to warrant holding a meeting.
- (C) A quorum shall comprise the greater of 2 Board members and at least 50% of the Board.

(ii) Frequency

The Board must meet at least 6 times per annum, but ideally monthly other than over the Christmas break when one meeting in December/January may be considered adequate but subject thereto, as often as is necessary to fulfil its functions and discharge its responsibilities.

(iii) Voting

Each member of the board including the Chairman shall have one vote.

(iv) Minutes

- (A) Minutes of each Board meeting shall be recorded and distributed to each member of the Board.
- (B) The Minutes of each meeting shall be submitted to the next succeeding meeting of the Board for their certification by the Chairman as a correct record of proceedings.

(v) Generally

- (A) Meetings of the Board shall be conducted in compliance with the Company's Constitution and the Corporations Act 2001.
- (B) Subject to (A) and the other provisions of this Charter, the Chairman shall determine the manner and process by which Board meetings shall be held.

1.2 The Chairman

- (a) The Chairman is responsible for leadership of the Board; facilitating proper information flow to the Board; for facilitating the effective functioning of the Board; and for communicating the views of the Board, in conjunction with the CEO, to the Group's stakeholders and to the public. In performing his/her role, the Chairman's specific responsibilities include:
- in consultation with the CEO:
 - setting the agenda for the matters to be considered by the Board;
 - seeking to ensure that the information provided to the Board is relevant, accurate, timely and sufficient to keep the Board appropriately informed of the performance of the Group and of any developments that may have a significant impact on that performance;
 - seeking to ensure that communications with stakeholders and the public are accurate and effective;
 - managing the conduct, frequency and length of Board meetings so as to ensure that the Board maintains adequate understanding of the Group's financial position and strategic performance, and the opportunities and challenges facing the Group;
 - facilitating open and constructive communications amongst Board members and encouraging their contribution to Board deliberations;
 - conducting Board, and Board member performance reviews;
 - liaising and interfacing with the CEO as the primary contact between the Board and the CEO; and
 - liaising with and counselling, as appropriate, Board members.
- (b) The Chairman is appointed in the terms of the Group's Constitution.
- (c) The roles of the Chairman and the CEO should not be exercised by the same person.

1.3 Authority Delegated to Senior Executive Management and Delegated Authority Matrix

The Board has delegated to the CEO (for sub-delegation as appropriate to his/her senior executive team), authority over the day to day management of the Group and its operations. This delegation of authority includes responsibility for:

- developing business plans, budgets and strategies for consideration by the Board and, to the extent approved by the Board, implementing these plans, budgets and strategies;
- ensuring the Group's operations and business are within the parameters set by the Board from time to time and that the Board is kept informed of material developments in the Group's operations and business;
- where proposed transactions, commitments or arrangements exceed the parameters set by the Board, referring the matter to the Board for its consideration and approval;

- identifying and managing operational risks and, where those risks could have a material impact on the Group, formulating strategies for managing these risks for consideration by the Board;
- managing the Group's financial and other reporting mechanisms and control and monitoring systems to ensure that these mechanisms and systems capture all relevant material information on a timely basis and are functioning effectively;
- ensuring that the Board is provided with sufficient accurate information on a timely basis in regard to the Group, its operations and business, and in particular with respect to the Group's corporate performance, financial condition, operations and prospects, to position the Board to fulfil its governance responsibilities; and
- implementing the policies, processes and codes of conduct approved by the Board.

The scope of the CEO's and the CFO's roles, authorities and responsibilities must also be set out in formal job descriptions and employment contracts (or letters of appointment).

Further, the CEO will propose from time to time for adoption by the Board a Delegated Authority Matrix specifying the levels of delegated authority applicable at Board, Director, CEO, Company Secretary, Senior Executive and other management levels (as appropriate).

1.4 Board Independence/Conflicts of Interest

An independent Board member operates independently of executive management and free of any business or other relationship (personal, business or otherwise) that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment. Independent Board members accordingly assist in ensuring that the Board and the Group operate in the best interests of the Group and its stakeholders as a whole having regard to the goals and objectives of the Company.

The assessment of whether a Board member is independent is a matter of judgement for the Board as a whole and includes concepts of materiality. In making that judgement the Board may have regard to, but need not be bound by, the ASX Corporate Governance Principles as to director "independence". All Board members are required to disclose to the Board any interest, relationship or information which may be relevant to that assessment.

The same comments apply with respect to each office bearer of the Group. The Chairman, and at least a majority of directors, desirably should be independent.

The Group's protocol dealing with conflicts of interest is set out in the Conflict of Interest Protocol.

1.5 Board Committees

The Board has established the following standing Committee to assist the Board in the execution of its responsibilities:

- the Audit and Risk Management Committee; and
- Remuneration Committee.

Other committees may from time to time be established by the Board in accordance with the Constitution or to deal with matters of special importance.

In particular the Board also recognises the important function traditionally fulfilled by a Nominations committee. To this end, although due to the Group's size and operational base, a separately constituted sub-committee of the Board is perceived not to be warranted, nevertheless the Board commits that from time to time (and as necessary) to discretely address the functions traditionally addressed by a Nomination Committee.

Each Committee has an approved charter under which authority is delegated by the Board. The charters for each standing Committee can be found in Appendices to this Charter. The

Board is responsible for the exercise of power by the Committees unless the Board has delegated power to the Committee and the Board believes on reasonable grounds in good faith and after making proper enquiry:

- that the Committee would exercise the power in conformity with the duties imposed on the Board by the *Corporations Act (2001)* and the Group's Constitution; and
- that the Committee is reliable and its members competent in relation to the power delegated.

The Committees are to be composed of Board members (together with others as appropriate) with the necessary attributes, skills and experience having regard to the charter and function of the Committee. The Committees meet as necessary in the terms of their charter. Relevant business addressed at Committee meetings is to be summarised and reported (as soon as reasonably practicable) to the Board at its next meeting after the Committee meeting.

1.6 Board Member's Code of Conduct

Members of the Board shall abide by the Board Members' Code of Conduct.

1.7 Communications with Stakeholders

The Board shall seek to ensure that the Group communicates openly with its stakeholders (subject to commercial and legal confidentiality restraints including Privacy Laws) in a timely and effective manner, including by print and electronic communication means (as appropriate). Refer also to the Release of Price Sensitive Information Policy.

The Company will use its website to complement the official release of material information to the market so as to enable broader access to Company information by investors and stakeholders. This may include:

- Placing all relevant announcements made to the market, and related information (eg, information provided to analysts or media during briefings), on the Company's website after they have been released to the ASX.

- Placing the full text of notices of meeting and explanatory material on the Company's website.
- Provide information about the last three years' press releases/announcements plus at least three years of financial data on the Company's website.
- Use email to provide information updates to investors.

1.8 Shareholder Meetings

Shareholders meetings shall be conducted in a manner that facilitates effective communication with the Company's membership base and allows reasonable opportunity for informed participation by the Company's membership base. Unless special circumstances otherwise

dictate, the Company's broader stakeholder groupings should be encouraged to attend and participate (as appropriate) at general meetings.

The Board will request attendance of the external auditor at the annual general meeting to answer questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company aspires to meetings of shareholders, and notices to shareholders of those meetings, generally being in conformity with the ASX Corporate Governance Council's Principles and Recommendations.

1.9 Performance Enhancement and Evaluation

(a) Enhancement

The Company commits to the continuing educational and skill enhancement of its Board members and senior executives to equip them to better serve the Company as described in the Group's Board and Management Performance Enhancement Policy.

(b) Evaluation

The performance of the Board (as a whole), each standing Board Committee, Board members generally, and each senior executive will be reviewed at least every 2 years, or thereabouts (and at other times as decided upon by the Board) against measurable and qualitative benchmarks as may reasonably be determined from time to time by the Board having regard to accepted, sound corporate governance standards. This task may be delegated by the Board to a Committee.

1.10 Group Code of Conduct and Values

The organisation has adopted the Group Code of Conduct and Values.

1.11 Board and Committee Structure

The Board and Committee membership structure at the date specified therein is as set out in the Company's Corporate Governance Charter.

1.12 Independent Advice

A Board member is entitled to seek independent professional advice (including but not limited to legal, accounting and financial advice) at the Company's expense on any matter connected with the discharge of his or her responsibilities, in accordance with the procedures and subject to the conditions set out below:

- a Board member must seek the prior approval of the Chairman (or Deputy Chairman as appropriate);
- in seeking such prior approval, the Board member must provide details of:
 - the nature of the independent professional advice;
 - the likely cost of seeking the independent professional advice; and
 - details of the independent adviser he or she proposes to instruct; and
- the approval of the Chairman (or Deputy Chairman) must not be unreasonably withheld.

1.13 Board Calendar

To assist the Board in ensuring timely discharge of its duties each year, the Board will from time to time adopt a planning calendar which will at least include on it each year reports on strategic governance issues.

The planning calendar shall be developed by the Company Secretary in consultation with the Chairman and the CEO with an aim for it to be tabled and adopted at the first Board meeting each financial year.

1.14 External Audit Function

The Company commits to the external audit of its books and affairs by the appointment of an independent external auditor who satisfied the "independence" requirements of ASIC and the ASX for listed public companies. In particular, the external auditor must be independent of and have no relevant material interest, associations or dealings (other than as auditor in the discharge of the duties associated with that appointment) with the Group any Director or other Officer of the Group. Refer also to the role in the Audit and Risk Management Committee Charter.

1.15 CEO and CFO Financial Reports Verification

The Company will require the CEO and the CFO (or their equivalents) to state in writing to the Board:

- (a) that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards; and
- (b) that the statement given in accordance with (a) above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board, and that the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.