



## **Board Charter**

## 1 INTRODUCTION

This charter sets out the principles for the role of the board of directors (**Board**) of OzAurum Resources Limited, (the **Company**) and governs the ongoing operation of the Board (**Charter**).

The Board is responsible for the governance of the Company and this Charter sets out how the Board will uphold its governance responsibilities.

## 2 ROLE OF THE BOARD

The Board derives its authority from the Company's Constitution. The Constitution provides that the business and affairs of the Company shall be managed and all corporate powers shall be exercised by or under the direction of the Board.

The role of the Board is to set overarching strategic guidance, oversee operations and management staff and manage the Company's finances in the interests of growth and profitability.

The Board is responsible for ensuring that it and the Company complies with the Constitution and all applicable legal and regulatory obligations including, but not limited to, those contained in the *Corporations Act 2001* (Cth) (**Corporations Act**) and the ASX Listing Rules.

## 3 RESPONSIBILITIES OF THE BOARD

The responsibilities of the Board pertain to matters of strategy, appointment, management, performance monitoring, governance and risk management and are set out in detail in sub-paragraphs 3.1 to 3.6 below.

### 3.1 Strategy

The Board is responsible for:

- (a) setting the strategic objectives or direction of the Company;
- (b) evaluating, providing input into, and approving, budgets and business plans developed by management;
- (c) directing, monitoring and assessing the Company's performance against ongoing strategies, budgets and business plans;
- (d) evaluating, providing input into, approving and monitoring capital management, major capital expenditure and all acquisitions, divestments or other corporate transactions, including the issue of securities; and
- (e) determining the Company's dividend policy, including the amount and timing of all dividend payments.

### 3.2 Appointments

The Board is responsible for:

- (a) appointing the Company's board chair (**Chair**);

- (b) appointing the Company's chief executive officer (**CEO**) or equivalent;
- (c) approving the appointment of any other officer or executive the Board has discretion to appoint in accordance with the Constitution, including a Chief Financial Officer, treasurer, vice presidents, assistant secretaries, assistant secretaries and any other subordinate officers; and
- (d) approving the appointment or replacement of any other senior executive.

### **3.3 Management**

The Board is responsible for:

- (a) approving the Company's employee remuneration policies and framework;
- (b) evaluating, assessing and approving the remuneration of senior executives;
- (c) establishing and monitoring executive succession planning; and
- (d) delegating day to day administration and the implementation of strategies approved by the Board to the CEO.

### **3.4 Monitoring Performance**

The Board is responsible for:

- (a) approving criteria to assess the performance of senior executives and monitoring and, where necessary, evaluating senior executives against that criteria;
- (b) developing and implementing a process for periodically evaluating the performance of the Board, any committees and individual Directors;
- (c) developing and implementing a skills matrix setting out the mix of skills and diversity that the Board has or is looking to achieve in its membership and consider this skills matrix when reviewing, proposing or appointing directors to the Board;
- (d) where appropriate, engaging external consultants to conduct independent performance evaluations of the Board;
- (e) periodically, and in any event at least once annually, review and evaluate the compliance by executives of the Company with this Charter, their employment agreement and any other governance policies that may apply; and
- (f) periodically, and in any event at least once annually, review and evaluate the Board's compliance with this Charter and amend this Charter and the Company's other governance policies to meet the goals and objectives of the Board as they develop over time.

### **3.5 Governance**

The Board is responsible for:

- (a) ensuring the Company complies with the Constitution and all legal and regulatory obligations, including those contained in the *Corporations Act 2001* (Cth) and the ASX Listing Rules;
- (b) ensuring ethical conduct within the Company and compliance with the Company's governance policies, including the Code of Conduct and Anti-Bribery and Corruption Policy;
- (c) overseeing the integrity of the Company's accounting and corporate reporting systems;
- (d) overseeing the Company's continuous disclosure process and compliance with the Company's Continuous Disclosure Policy;
- (e) monitoring and reviewing the ongoing performance and compliance of the Company's corporate governance practices, policies and procedures; and
- (f) preparation of an annual corporate governance statement in accordance with the ASX Listing Rules.

### **3.6 Risk Management**

The Board is responsible for:

- (a) ensuring that the Company establishes and maintains a risk management framework or policy appropriate to the Company's profile and operations;
- (b) identifying principal risks to the Company's business and establishing acceptable levels of risk within which the Board expects and permits the executive management of the Company to operate; and
- (c) reviewing and approving the Company's internal compliance and control, risk management and legal compliance systems to determine the integrity and effectiveness of those systems and to continually improve those systems.

## **4 BOARD COMPOSITION**

### **4.1 Composition**

The Board or the Company's shareholders may determine the size of the Board via resolution in accordance with the Constitution. The Board should be of sufficient size so that the Board's responsibilities may be comfortably met and that changes to the Board's composition can be managed without undue disruption while not being so large as to be unwieldy.

The Board should be comprised of:

- (a) to the extent practicable given the size and composition of the Board from time to time, a majority of people who are independent directors; and
- (b) a mix of executive and non-executive directors with a broad range of skills, expertise, experience and diversity of backgrounds.

## 4.2 Independent Directors

All directors, whether independent or not, are expected to bring an independent judgement to bear on any Board matter.

An independent director is a director who has no business or other relationship which could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement.

For the purposes of this Charter, including clause 4.1(a), the Board will conduct a holistic assessment when determining whether a director is an “independent director” against the following factors:

- (a) if the director is, or has within the previous three years been, an executive of the Company or any subsidiary;
- (b) if the director is, or has within the previous three years been, a partner, director or senior employee of a provider of material professional services to the Company or any subsidiary;
- (c) if the director is, or has been within the previous three years, in a material business relationship with the Company or any subsidiary or is an officer of or otherwise associated with an entity that is in such a relationship;
- (d) if the director is a substantial security holder of the Company or is an officer or is otherwise associated with a substantial security holder of the Company;
- (e) if the director has a material contractual relationship with the Company or a subsidiary other than as a director;
- (f) if the director has close personal or family ties with any person who falls within sub-paragraphs (a) to (e) above;
- (g) if the director has been a director of the Company for such a period that their independence may have been compromised;
- (h) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity.

The Board should periodically assess whether a director has remained or has become an independent director in accordance with the criteria outlined above.

## 4.3 Appointing Directors

When considering the appointment of an individual to the Board or the proposed nomination of an individual for election, the Board will undertake appropriate checks before appointing the individual as a director or nominating the individual for election as a director. These checks will include enquiries regarding the individual’s character, experience, education, criminal record and bankruptcy history.

When nominating an individual for election, the Company should provide its shareholders all material information in its possession relevant to a decision as to elect or re-elect a director or not. Such material information may include, but is not limited to:

- (a) biographical details (including relevant qualifications, skills and experience);
- (b) any other material directorships held by the individual;
- (c) a statement whether the Board does or does not support the election or re-election of the individual;
- (d) a statement whether the Board considers the individual is an independent director;
- (e) for candidates standing for election for the first time, a statement regarding:
  - (i) whether any materially adverse information was revealed in the course of background checks referred to above; and
  - (ii) any actual or prospective conflict of interest or material circumstances that may influence or impact upon the candidate's capacity to bring independent judgement and act in the best interests of the Company; and
- (f) for directors standing for re-election:
  - (i) the term of office currently served by the director; and
  - (ii) any other material information likely to be relevant to shareholders.

#### **4.4 Directors' Responsibilities**

Directors are at all times expected to:

- (a) comply with all of the Company's corporate governance policies and, in particular, comply with the Company's Code of Conduct;
- (b) act in accordance with legal and statutory requirements; and
- (c) discharge their duties as directors in a manner which is consistent with the best interests of the Company as a whole, free of any actual or possible conflicts of interest.

#### **4.5 Director Agreements**

The Company requires that all directors enter into a written agreement setting out the terms of their appointment. Directors are expected to participate in induction or orientation programs upon their election or appointment, and any continuing education or training arranged by the Company for them from time to time.

### **5 BOARD POSITIONS**

#### **5.1 President**

The President, except to the extent such powers are delegated to the CEO or the Chair:

- (a) is responsible for the general supervision, direction and control of the business and other officers of the Company;

- (b) shall have the general powers and duties of management usually vested in the office of president of a corporation; and
- (c) shall have such other powers and duties as may be prescribed by the Board.

## 5.2 Chair

The Chair of the Board should, where practicable be an independent director.

The Chair is responsible for:

- (a) leading the Board in reviewing and discussing Board matters;
- (b) chairing Board meetings and general meetings of the Company;
- (c) ensuring the efficient organisation and conduct of the Board's function;
- (d) facilitating effective contribution by all members of the Board and monitoring Board performance;
- (e) promoting constructive and respectful relationships between Board members and between the Board and the Company's executives; and
- (f) managing and liaising with the Secretary.

## 5.3 Secretary

The Secretary is:

- (a) appointed and removed by the Board; and
- (b) reports and is accountable to the Board, through the Chair, on all matters to do with the proper function of the Board and any committee, including the obligations to:
  - (i) keep or cause to be kept a minute book of all minutes relating to the Board and any committee;
  - (ii) keep or cause to be kept a minute book of all minutes relating to general meetings of the Company;
  - (iii) keep or cause to be kept the company's share register; and
  - (iv) give or cause to give notice of all Board meetings and general meetings of the Company.

## 6 BOARD MEETINGS

### 6.1 Overview

The Board will meet in accordance with the Constitution from time to time and as determined by the Board and, preferably will meet at least four times per year, and otherwise as often as the directors consider necessary to enable the directors and the Board to fulfil their duties and responsibilities to the Company (**Meeting**).

## 6.2 Director's Obligations

Directors must:

- (a) if practicable, attend every Meeting, via any means permitted in accordance with the Constitution;
- (b) debate all issues arising at Meetings openly and constructively and utilise their particular skills, experience and expertise when discussing or debating issues;
- (c) keep all Meeting discussions and resolutions confidential, except where they are otherwise required or permitted to disclose them; and
- (d) diligently prepare for and participate in Meetings.

## 6.3 Non-executive Directors

Non-executive directors may periodically and informally meet without executive directors or executives of the Company present for the purposes of considering or discussing the matters pertaining to non-executive directors.

## 6.4 Advisors

The Board may require or invite the Company's executives, including the CEO or third party consultants and advisors to attend Meetings, where necessary or desirable and to the extent prescribed by the Board at any time.

## 7 COMMITTEES

### 7.1 Overview

The Constitution permits the Board to designate one or more committees and delegate responsibility to these committees to consider and manage certain issues in further detail (**Committee**).

Subject to any resolution of the Board, a Committee may:

- (a) exercise any power or authority of the Board in the management of the business and affairs of the Company to the extent set out in the Constitution as prescribed by the Board; or
- (b) consider specific issues or a particular remit, prepare reports and advise the Board.

Although the Board may delegate powers and responsibilities to Committees in accordance with the above, the Board remains ultimately accountable for discharging its duties.

### 7.2 Composition

Committees must be comprised of one or more directors. Any appointment to or removal from a Committee must be resolved by the Board from time to time. When appointing Committee members the Board will consider a nominee's skills, experience and expertise as relevant to the Committee's remit.

### **7.3 Committees**

The Board intends on establishing the following Committees in due course:

- (a) the Audit and Risk Committee, which will be delegated the authority and tasked with considering the remit set out in the Company's Audit and Risk Committee Charter; and
- (b) the Remuneration and Nomination Committee, which will be delegated the authority and tasked with considering the remit set out in the Company's Remuneration and Nomination Committee Charter, and

may establish other Committees from time to time by resolution as it sees fit.

## **8 DELEGATION**

### **8.1 Delegated Authority**

The Board has delegated to the CEO authority to manage the day to day operations of the Company. The CEO may sub-delegate their powers to any other executives or senior management as they consider appropriate, however the responsibility for the exercise of any sub-delegation remains with the CEO.

This delegation of authority includes responsibility for:

- (a) developing business plans, budgets and strategies for consideration by the Board and, to the extent approved by the Board, implementing those plans, budgets and strategies;
- (b) operating the Company's business within the parameters set by the Board from time to time and keeping the Board informed of material developments in the Company's business;
- (c) where proposed transactions, commitments or arrangements exceed threshold parameters set by the Board, referring the matter to the Board for its consideration;
- (d) identifying and managing operational and other risks and, where those risks could have a material impact on the Company's business, formulating strategies for managing and mitigating those risks, including for considerations and endorsement by the Board, as applicable;
- (e) managing the Company'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, are functioning effectively and are founded on a sound basis of prudential risk management;
- (f) implementing the policies and processes of the Company and the Company's Code of Conduct and facilitating the monitoring and reviewing of, and reporting against, those policies, processes and codes; and
- (g) ensuring that the Board is regularly provided with sufficient and accurate information in regard to the Company's operations and affairs, and in particular

with respect to the Company's performance, financial condition, operations and prospects; and

- (h) any other duties or responsibilities set out in any employment contract with the CEO.

## **8.2 Executive and Director Agreements**

The Company requires that all executives and directors enter into a written agreement setting out the terms of their appointment.

## **9 CONFLICTS OF INTEREST**

### **9.1 Obligation**

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 any actual or possible conflicts of interest.

### **9.2 Dealing with Conflicts**

If a director considers that they may be in a position where there is a reasonable possibility of conflict between their personal or business interests, the interests of any person associated with them, or their duties to any other company on the one hand and the interests of the Company or their duties to the Company on the other hand, the director must:

- (a) comply with the procedures set out in any Conflict of Interest Policy adopted by the Company at that point in time;
- (b) fully and frankly inform the Board about the circumstances giving rise to the conflict; and
- (c) unless the Board otherwise determines, abstain from voting on any motion relation to the matter and absent themselves from all board deliberations relating to the matter, including receipt of Board papers concerning the matter, in accordance with the relevant provisions set out under the related party transaction and conflict of interest policy, Corporations Act and Constitution.

### **9.3 Consultation**

If a director believes they may have a conflict of interest in relation to a particular matter, the director should immediately consult with the Chair (or in the case of the Chair, the Chair should immediately consult with the non-executive directors) and comply with the procedures set out in any related party transaction and conflict of interest policy adopted by the Company at that point in time.

## **10 REMUNERATION**

### **10.1 Non-Executive Remuneration**

The level of non-executive director remuneration will be set by the Board with consultation and recommendations provided by the Remuneration and Nomination Committee (when established).

## **10.2 Executive Remuneration**

The level of executive director and executive remuneration will be set by the Board with consultation and recommendations provided by the Remuneration and Nomination Committee (when established).

## **10.3 Remuneration Factors**

When considering the appropriate remuneration for executive directors, non-executive directors and executives, the Company will have regard to the following factors:

- (a) market and peer benchmarking;
- (b) organisational performance generally;
- (c) shareholder sentiment;
- (d) financial capacity;
- (e) work load and performance;
- (f) ensuring the incentives for non-independent directors do not conflict with their obligations to bring an independent judgement to matters before the Board; and
- (g) any other relevant matters.

## **11 MISCELLANEOUS**

### **11.1 Independent Advice**

The Board collectively, and each director individually, may obtain independent professional advice at the Company's expense, as considered necessary to assist in fulfilling their relevant duties and responsibilities. However, individual directors who wish to obtain independent professional advice should seek the approval of the Chair (or in the case of the Chair, the CEO) who, acting reasonably, may approve or deny the request.

### **11.2 Inconsistency with Constitution**

To the extent that there is any inconsistency between this Charter and the Company's Constitution, the Constitution will prevail.

### **11.3 Adoption of Charter**

The Board adopted this Charter on the date specified below. It takes effect from that date and replaces any previous board charter in this regard.

### **11.4 Review of Charter**

The Board will review and amend this Charter periodically and will communicate any amendments as appropriate.

<b>Status</b>		Approved and Issued
<b>Approved By</b>		Board
<b>Effective Date</b>		26 November 2020
<b>Approval Date</b>		26 November 2020
<b>Policy Owner</b>		Company Secretary
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2020.1	26 November 2020	Company Secretary