Board Charter

FireFly Metals Ltd (ACN 110 336 733)
Adopted by the Board with effect on 12 May 2026

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Introduction

The board of directors (**Board**) of FireFly Metals Ltd (**Company**) has the ultimate responsibility to its shareholders for the strategy and performance of the Company in general. The Board is dedicated to fulfilling these duties in a lawful and professional manner, and with the utmost integrity and objectivity. As such, the Board actively pursues best practice governance processes.

Good governance policies and processes are critical for ensuring that the Company is governed in the best interests of the Company as a whole. With this point in mind, the Board has decided to articulate and formalise the corporate governance framework within which the Company operates.

This document outlines the Company's corporate governance policy in the form of a Board Charter, which is a written policy document that defines the respective roles, responsibilities and authorities of the Board, both individually and collectively, and of management in setting the direction, management and the control of the organisation. As such, it establishes the guidelines within which the Directors and Officers are to operate as they carry out their respective roles. It does not in any way constitute legal advice or act as a substitute for legal advice.

The Board is cognisant that the Company may not comply with all of the Corporate Governance Principles and Recommendations (4th Edition) published by the ASX Corporate Governance Council. However, the Company will state in its Annual Report its current position on these matters and a regular review will be undertaken to assess the suitability of the current approach.

The purpose of this Board Charter is to document the policies upon which the Board has decided to meet its legal and other responsibilities.

While it is acknowledged that good governance is an important component of a successful company, it is also recognised that it is contingent upon the context in which it is practised. Therefore, corporate governance needs to be a dynamic process. This Charter will need to be regularly reviewed and updated to reflect changes in the legal framework within which the Company operates, and amendments and developments in Board policies and procedures. It is the responsibility of the Company Secretary to ensure that the Board is consulted regarding any changes and updates, that the Charter is kept current and is reviewed and amended on an annual basis, and that all Board members are provided with the latest versions of the Charter.

The Company recognises the overriding importance of its legal obligations which arise from various sources. Accordingly, nothing in this Charter must conflict with the Company's Constitution (**Constitution**), the *Corporations Act 2001* (Cth) (**Corporations Act**) or the ASX Listing Rules or any other applicable law. If such a conflict occurs, the Constitution, Corporations Act, the ASX Listing Rules or such other applicable law shall prevail over this Charter.

Any reference to gender in this Charter should be interpreted as applicable to all gender identities.

PART A – DEFINING GOVERNANCE ROLES

1. The role of the Board

The Board is ultimately responsible for all matters relating to the running of the Company.

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole and for a proper purpose. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

The Board has the final responsibility for the successful operations of the Company. In general, it is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company. In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following, with the assistance of the Board Committees:

(a) providing leadership to the Company by:

  (i) defining the Company's purpose;

  (ii) approving the Company's Statement of Values and Code of Conduct to underpin the desired culture within the Company; and

  (iii) always acting in a manner consistent with the Company's culture and Code of Conduct and Statement of Values;

(b) overseeing the development and implementation of an appropriate strategy, and the instilling of the Company's values and performance by:

  (i) working with the senior management team to ensure that an appropriate strategic direction and array of goals are in place;

  (ii) regularly reviewing and amending or updating the Company's strategic direction and goals;

(iii) ensuring that an appropriate set of internal controls are implemented and reviewed regularly, with the assistance of the Audit and Risk Management Committee;

(iv) ensuring an appropriate framework exists for relevant information to be reported by the management to the Board;

(v) when required, overseeing planning activities including the development and approval of strategic plans, annual plans, annual corporate budgets and long-term budgets including operating budgets, capital expenditure budgets and cash flow budgets; and

(vi) reviewing the progress and performance of the Company in meeting these plans and corporate objectives, including reporting the outcome of such reviews on at least an annual basis;

(c) overseeing the control and accountability systems that ensure the Company is progressing towards the goals set by the Board and in line with the Company's purpose, the agreed corporate strategy, legislative requirements and community expectations;

(d) ensuring corporate accountability to the shareholders primarily through adopting an effective shareholder communications strategy, encouraging effective participation at general meetings and, through the Chair, being the key interface between the Company and its shareholders;

(e) ensuring the integrity of the Company's accounting systems including the external audit, with the assistance of the Audit and Risk Management Committee;

(f) ensuring robust and effective risk management (for both financial and non-financial risks), compliance, continuous disclosure and control systems (including legal compliance) are in place and operating effectively, with the assistance of the Audit and Risk Management Committee;

(g) appointing, and where necessary removing and/or replacing, the Chair;

(h) with the assistance of the Nomination and Remuneration Committee, being responsible for the Company's senior management and personnel including:

(i) directly managing the performance of the Managing Director including:

(A) appointing and remunerating the Managing Director;

(B) providing advice and counsel to the Managing Director including formal reviews and feedback on his or her performance; and

(C) overseeing the development or removal of the Managing Director, where necessary;

(ii) ratifying the appointment, the terms and conditions of the appointment and, where appropriate, removal of the Chief Executive Officer (**CEO**), Chief Financial Officer (**CFO**), Company Secretary and other senior executives;

(iii) ensuring appropriate checks are undertaken prior to the appointment of Directors and senior executives;

(iv) ensuring that an appropriate succession plan for the Managing Director, CEO, CFO, Company Secretary and senior executives is in place; and

(v) when required, ensuring appropriate human resource systems (including work health and safety systems) are in place to ensure the well-being and effective contribution of all employees;

(i) ensuring that the Company's remuneration and nomination policies are aligned with the entity's purpose, values, strategic objectives and risk appetite.

(j) delegating appropriate powers to the Managing Director, management and Committees to ensure the effective day-to-day management of the business and monitoring the exercise of these powers;

(k) ensuring Directors receive briefings on material developments in laws, regulations and accounting standards relevant to the Company;

(l) where required, challenging management and holding it to account; and

(m) making all decisions outside the scope of these delegated powers.

The detail of some Board functions will be handled through the Board Committees as and when the size and scale of operations requires such Committees. However, the Board as a whole is responsible for determining the extent of powers residing in each Committee and is ultimately responsible for accepting, modifying or rejecting Committee recommendations.

2. Board structure

2.1 Number of Directors

The Board has determined that, consistent with the size of the Company and its activities, the Board shall be comprised of a minimum three (3) Directors.

The Board's policy is that the majority of Directors shall be independent, non-executive Directors. This will ensure that Board discussions or decisions have the benefit of outside views and experience, and that the majority of Directors will be free of any interests or influences that could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The Board has adopted the definition of independence set out in the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (4th Edition) as set out in Annexure A.

The independence of the Company's Non-Executive Directors will be assessed at least annually, or more frequently if circumstances require. Any potential change in the nature of the independence status of a Non-Executive Director must be promptly notified to the chair of the Board (**Chair**) and Company Secretary, and the Board will review that Director's independence status.

The Company will disclose the names of the Directors considered by the Board to be independent Directors and the length of service of each Director, as at the end of each financial year, in the Company's Annual Report.

If a Director has an interest, position or relationship of the type described in Annexure A, but the Board is of the opinion that it does not compromise the independence of that Director, the Company will disclose in the Company's Corporate Governance Statement the nature of the interest, position or relationship in question and an explanation of why the Board is of that opinion.

In the opinion of the Board, all Directors should bring specific skills and experience that add value to the Company.

When considering the potential re-appointment of an existing director, the Board will take into account its skills matrix which sets out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership, and recommendations of the Nomination and Remuneration Committee.

When considering vacancies, the Board will take into account a candidate's capacity to enhance the skills matrix and experience of the Board, and recommendations of the Nomination and Remuneration Committee.

2.2 Appointment of Directors

The Company may, by ordinary resolution, increase or decrease the number of Directors and may also determine in what rotation the increased or decreased number is to go out of office and otherwise in accordance with the Constitution.

The Company will undertake appropriate checks before appointing a person and provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

Before appointment to the Board, candidates must confirm that they will have sufficient time to meet their obligations to the Company, in light of their commitments.

All Directors (other than a Managing Director, if any) are subject to re-election by rotation at least every three years. Newly appointed Directors must seek re-election at either the next general meeting or annual general meeting (**AGM**) of shareholders following their appointment.

2.3 Skills required on the Board

The Board, with the guidance of the Nomination and Remuneration Committee, will regularly review capabilities, technical skills and personal attributes of its directors. It will normally review the Board's composition against those attributes and recommend any changes in Board composition that may be required. An essential component of this will be the time availability of Directors.

2.4 Written agreement

The Company shall have a written agreement with each Director and senior executive setting out the terms of their appointment (**Written Agreement**). The Written Agreement should be with the Director or senior executive personally unless the Company is engaging a bona fide professional services firm.

The Written Agreement should include:

(a) the requirement to disclose the Director's interests and any matters which could affect the Director's independence;

(b) the requirement to comply with the Company's corporate governance policies and charters;

(c) the requirement to notify the Company of or seek the Company's approval before accepting, any new role that could impact upon the time commitment expected of the Director or give rise to a conflict of interests;

(d) the Company's policy around independent professional advice;

(e) indemnity and insurance arrangements;

(f) rights of access to corporate information; and

(g) ongoing confidentiality obligations.

2.5 Duration of appointment

In the interest of ensuring a continual supply of new talent to the Board, Non-Executive Directors will serve for a maximum of 10 years unless there are exceptional circumstances. The exception to this policy is that a Director who is serving as Chair at the conclusion of the usual maximum term may serve an additional term in that role. If a Director has served in their position for more than 10 years, the Board will regularly assess whether their independence may have been compromised.

2.6 Vacation of office

Subject to clause 2.5, it is envisaged that Directors shall remain on the Board until required to vacate the office by law or as detailed in the Constitution.

3. The role of individual Directors

3.1 Responsibilities

As members of the peak decision-making body in the Company, Directors share ultimate responsibility for the Company's overall success. Therefore, Directors have an individual responsibility to ensure that the Board is undertaking its responsibilities. Directors need to ensure that the Board is:

(a) providing leadership to the Company, particularly in the areas of ethics and culture;

(b) providing a clear and appropriate strategic direction;

(c) upholding the Company's values;

(d) providing accountability to key stakeholders, particularly shareholders;

(e) providing oversight of policies;

(f) providing oversight of all control and accountability systems including all financial operations and solvency, risk management, monitoring conduct that is inconsistent with the Company's Code of Conduct and compliance with material legal and regulatory requirements;

(g) maintaining an effective senior management team and appropriate personnel policies; and

(h) making timely and effective decisions on matters reserved to it.

3.2 Directors' code of conduct

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company:

(a) will comply with the Company's Code of Conduct (having regard to the Director's role as either an Executive or Non-Executive Director);

(b) will act honestly, in good faith and in the best interests of the whole Company, and for a proper purpose;

(c) owe a fiduciary duty to the Company as a whole;

(d) have a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office;

(e) will undertake diligent analysis of all proposals placed before the Board;

(f) will act with a level of skill expected from directors and key executives of a publicly listed company;

(g) will use the powers of office for a proper purpose, in the best interests of the Company as a whole;

(h) will demonstrate commercial reasonableness in decision making;

(i) will not make improper use of information acquired as Directors and key executives;

(j) will not disclose non-public information except where disclosure is authorised or legally mandated;[1]

(k) will keep confidential, information received in the course of the exercise of their duties and such information remains the property of the Company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the person from whom the information is provided, or is required by law;

(l) will not take improper advantage of the position of Director[2] or use the position for personal gain or to compete with the Company;

(m) will not take advantage of Company property or use such property for personal gain or to compete with the Company;

(n) will protect and ensure the efficient use of the Company's assets for legitimate business purposes;[1]

(o) will not allow personal interests, or the interest of any associated person, to conflict with the interests of the Company;

(p) have an obligation to be independent in judgment and actions and Directors will take all reasonable steps to be satisfied as to the soundness of all decisions of the Board;

(q) will make reasonable enquiries to ensure that the Company is operating efficiently, effectively and legally, towards achieving its goals;

(r) will not engage in conduct likely to bring discredit upon the Company;[2]

(s) will encourage fair dealing by all employees with the Company's customers, suppliers, competitors and other employees as and when those dealings occur;[1]

(t) will encourage the reporting of unlawful/unethical behaviour and actively promote ethical behaviour and protection for those who report violations in good faith;[1]

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[1] From the ASX Corporate Governance Council's Corporate Governance Principles.

[2] From the AICD Code of Conduct.

(u) will give their specific expertise generously to the Company; and

(v) have an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Charter.[2]

3.3 Expectations of Directors in Board process

Since the Board needs to work together as a group, Directors need to establish a set of standards for Board meetings. It is expected that Directors shall, in good faith, behave in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the Board. This will include, but not be limited to:

(a) behaving in a manner consistent with the letter and spirit of the Code of Conduct;

(b) acting in a businesslike manner;

(c) acting in accordance with the Constitution and Board policies;

(d) addressing issues in a confident, firm and friendly manner;

(e) preparing thoroughly for each Board or Committee meeting or event;

(f) using judgement, common sense and tact when discussing issues;

(g) minimising irrelevant conversation and remarks;

(h) ensuring that others are given a reasonable opportunity to put forward their views;

(i) refraining from interruption or interjection when a speaker has the floor; and

(j) being particularly sensitive in interpreting any request or direction from the Chair that aims to ensure the orderly and good-spirited conduct of the meeting.

Directors are expected to be forthright in Board meetings and have a duty to question, request information, raise any issue, and fully canvas all aspects of any issue confronting the Company, and cast their vote on any resolution according to their own judgement.

Outside the boardroom, however, Directors will support the letter and spirit of Board decisions in discussions with all stakeholders including any shareholders, special interest groups, customers, staff, suppliers and any other parties.

Directors will keep confidential all Board discussions and deliberations. Similarly, all confidential information received by a Director in the course of the exercise of the Director's duties remains the property of the Company and is not to be discussed outside the boardroom. It is improper to disclose it, or allow it to be disclosed, unless

that disclosure is required by law and in any event should not be disclosed without appropriate authorisation.

3.4 Conflict of interest, related party transactions and outside directorships

(a) Conflicts of interest

Directors must disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interests of the Director and the interests of the Company. On appointment, Directors will have an opportunity to declare any such interests.

Directors should update this disclosure by notifying the Company Secretary in writing as soon as they become aware of any conflicts. Directors are also expected to indicate to the Chair any actual or potential conflict of interest situation as soon as it arises.

The Board can request a Director to take reasonable steps to remove the conflict of interest. If a Director cannot or is unwilling to remove a conflict of interest then the Director must absent himself or herself from the room when discussion and voting occur on matters to which the conflict relates. The entry and exit of the Director concerned will be minuted by the Company Secretary. Directors do not have to give notice of a conflict or absent themselves in accordance with section 191(2) or section 195 of the Corporations Act, including, without limitation when either:

(i) conflict of interest relates to an interest common to all Company members/shareholders; or

(ii) the Board passes a resolution that:

(A) identifies the Director, the nature and extent of the Director's interest; and

(B) clearly states that the other Directors are satisfied that the interest should not disqualify the Director concerned from discussion and/or voting on the matter.

(b) Related party transactions

Related party transactions include any financial transaction between a Director or officer and the Company and will be reported in half yearly and annual reports.

In general, the Corporations Act requires related party transactions to be approved by the Company's shareholders; the Board cannot, except in certain limited circumstances, approve these transactions. Examples of exemptions to this requirement occur where the financial benefit is given on arm's length terms, or is considered to be reasonable remuneration to an officer or employee.

The Board has also resolved that where applications are made by a related party to a Director or officer of the Company then the Director or officer shall exclude himself/herself from the approval process.

"Related party" for this process has the meaning given to that term in section 228 of the Corporations Act and includes:

(i) a spouse or de facto spouse of the Director or officer;

(ii) a parent, son or daughter of the Director or officer or their spouse or de facto spouse; or

(iii) an entity over which the Director or officer or a related party defined in paragraph (i) or (ii) has a controlling interest.

(c) Outside directorships

Directors must advise the Board of all directorships or executive positions held in other companies prior to appointment. A Director must not accept a new appointment to a board outside of the Company or a position with a significant time commitment attached unless that Director has first received the Chair's approval to do so (or in the case of the Chair, the approval of the Chair of the Audit and Risk Management Committee).

3.5 Emergency contact procedures

As there is the occasional need for urgent decisions, Directors should leave with the Company Secretary any contact details, either for themselves or for a person who knows their location, so that all Directors can be contacted within 24 hours if required.

4. The role of the Chair

To the extent possible, the Chair of the Board is to be an independent Director and is not to be the same person as the Managing Director.

The Chair's role is a key one within the Company. The Chair is considered the "lead" Director and utilises his/her experience, skills and leadership abilities to facilitate the governance processes.

There are two main aspects to the Chair's role. They are the Chair's role within the boardroom and the Chair's role outside the boardroom.

4.1 Inside the boardroom

Inside the boardroom, the role of the Chair is to:

(a) establish and approve the agenda for Board meetings in consultation with the Managing Director;

(b) chair Board meetings;

(c) ensure adequate time in Board meetings for discussion of all agenda items including strategic issues;

(d) be clear on what the Board has to achieve, both in the long and short term;

(e) provide guidance to other Board members about what is expected of them;

(f) facilitate effective contribution of all directors and promoting constructive and respectful relations between directors and between the Board and management;

(g) ensure that Board meetings are effective in that:

(i) the right matters are considered during the meeting (for example, strategic and important issues);

(ii) matters are considered carefully and thoroughly;

(iii) all Directors are given the opportunity to effectively contribute; and

(iv) the Board comes to clear decisions and resolutions are noted;

(h) brief all Directors in relation to issues arising at Board meetings;

(i) ensure that the decisions of the Board are implemented properly;

(j) ensure that the Board behaves in accordance with this Charter and the Company's Code of Conduct; and

(k) act and speak for the Board between its meetings, including engaging with the Managing Director.

4.2 Outside the boardroom

Outside the boardroom the role of the Chair is to:

(a) in conjunction with the Managing Director, undertake appropriate public relations activities;

(b) engage with key stakeholders, including shareholders and proxy advisors;

(c) be the spokesperson for the Company at the AGM;

(d) be the major point of contact between the Board and the Managing Director;

(e) be kept fully informed of current events by the Managing Director on all matters which may be of interest to Directors;

(f) regularly review with the Managing Director, and such other senior officers as the Managing Director recommends, progress on important initiatives and significant issues facing the Company; and

(g) provide mentoring for the Managing Director.

5. The role of the Company Secretary

The Company Secretary is charged with facilitating the Company's corporate governance processes and so holds primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively. The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board and reports directly to the Chair as the representative of the Board. The Company Secretary is appointed and dismissed by the Board and all Directors have right of access to the Company Secretary.

The tasks of the Company Secretary shall include:

(a) Meetings and minutes

(i) notifying the directors in advance of a meeting of the Board;

(ii) ensuring that the agenda and Board papers as and when they are required, are prepared and forwarded to Directors prior to Board meetings;

(iii) recording, maintaining and distributing the minutes of all Board and Board Committee meetings as required;

(iv) maintaining a complete set of Board papers at the Company's main office;

(v) preparing for and attending all annual and extraordinary general meetings of the Company;

(vi) recording, maintaining and distributing the minutes of all general meetings of the Company;

(b) Compliance

(i) overseeing the Company's corporate governance compliance program and ensuring the Company's corporate governance compliance and reporting obligations are met;

(ii) ensuring all requirements of ASIC, the ASX and any other applicable corporate governance regulatory bodies are fully met;

(iii) providing counsel on corporate governance principles and Director liability;

(c) Governance administration

(i) maintaining a register of Company policies that have been approved by the Board;

(ii) maintaining, updating and ensuring that all Directors have access to an up-to-date copy of the Board Charter, the Committee Charters and associated governance documentation;

(iii) maintaining the complete list of the delegations of authority;

(iv) reporting at Board meetings the documents executed under a power of attorney, or under the common seal (if any); and

(v) any other services the Chair or Board may require from time to time.

6. The role of the Managing Director

The Managing Director is responsible for the attainment of the Company's goals and vision for the future, in accordance with the strategies, policies, programs and performance requirements approved by the Board. The position reports directly to the Board.

If there is no Managing Director appointed at any given time, the Board will nominate another executive director or executive to undertake the role/responsibilities assigned to the Managing Director under this Board Charter.

The Managing Director's primary objective is to ensure the ongoing success of the Company through being responsible for all aspects of the management and development of the Company. The Managing Director is of critical importance to the Company in guiding the Company to develop new and imaginative ways of winning and conducting business. The Managing Director must have the industry knowledge and credibility to fulfil the requirements of the role.

The Managing Director will, as and when the size, nature and scale of the Company's activities requires it, manage a team of executives responsible for all functions contributing to the success of the Company.

The Managing Director's specific responsibilities will include:

(a) managing and administering the day-to-day operations of the Company and its businesses in accordance with the purpose, values, strategy, business plans and policies approved by the Board;

(b) developing, in conjunction with the Board, the Company's vision, values, and goals;

(c) responsibility for the achievement of corporate goals and objectives;

(d) developing short, medium and long term corporate strategies and planning to achieve the Company's vision and overall business objectives;

(e) preparing business plans and reports with the senior management team;

(f) developing, with the Board, the definition of ongoing corporate strategy;

(g) implementing and monitoring strategy and reporting/presenting to the Board on current and future initiatives;

(h) advising the Board regarding the most effective organisational structure and overseeing its implementation;

(i) assessing business opportunities of potential benefit to the Company;

(j) responsibility for proposals for major capital expenditure to ensure their alignment with corporation strategy and justification on economic grounds;

(k) sustaining competitive advantage through maximising available resources, encouraging staff commitment and strategically aligning the corporate culture with the Company's goals and objectives;

(l) establishing and maintaining effective and positive relationships with Directors, shareholders, customers, suppliers and other government and business liaisons;

(m) undertaking the role of key Company spokesperson;

(n) recommending policies to the Board in relation to a range of organisational issues including delegations of authority, consultancies and performance incentives;

(o) ensuring statutory, legal and regulatory compliance and complying with corporate policies and standards;

(p) ensuring appropriate risk management practices and policies are in place;

(q) developing and motivating direct reports and their respective teams;

(r) selecting and appointing key staff as and when required (direct reports); and

(s) ensuring there is an appropriate staff appraisal system in place in the Company.

PART B - BOARD PROCESSES

7. Board meetings

Board meetings are a fundamental component of governance processes. Each Board meeting is critical, as it is the main opportunity for directors to:

(a) obtain and exchange information with the senior management team;

(b) obtain and exchange information with each other; and

(c) make decisions.

The Board meeting agenda is equally as important because it shapes the information flow and subsequent discussion.

7.1 Meeting frequency

Given the size of the Company and the scale of its activities the Board will meet not less than five times per year.

7.2 Meeting location

The Board usually meets at the offices of the Company in Australia, with Directors able to join electronically as required.

7.3 Meeting language

If a Director does not speak the language in which the Board meeting is proposed to be held in and in which key documents are written, processes will be adopted to ensure that the Director understands and can contribute to discussions at those meetings and understand and discharge their obligations in relation to those documents.

7.4 Meeting cycle

To assist the smooth running of Board processes, the Board will adopt an indicative cycle as follows. The indicative cycle gives Board members seven days to review the agenda and Board papers to save valuable time at meetings by being prepared for discussions and allowing them to seek clarification or further information in advance on ambiguous items.

Under normal circumstances and when warranted, Board meetings shall follow the following cycle:

Item	Day
Draft agenda prepared by the Company Secretary	-15
Company Secretary updates actions arising from the previous meeting	-15
Company Secretary reviews the proposed agenda with the Chair and Managing Director	-14
Board papers and agenda are finalised	-7
All Board papers are circulated to Board meeting attendees	-7
Board meeting	0
Draft minutes sent to Chair	7
Draft minutes sent to Directors	14

All days indicated are calculated in relation to the Board meeting day (day zero). Please note that this is an indicative cycle only. The actual timing of events in the lead up to and follow up from Board meetings will be dependent upon the circumstances surrounding each individual meeting.

7.5 Conduct of meeting

The Chair will determine the degree of formality required at each meeting while maintaining the decorum of such meetings. As such the Chair will:

(a) ensure that all Directors are heard;

(b) retain sufficient control to ensure that the authority of the Chair is recognised. This may require a degree of formality to be introduced if this is necessary to advance the discussion;

(c) take care that the decisions are properly understood and well recorded; and

(d) ensure that the decisions and debate are completed with a formal resolution recording the conclusions reached.

7.6 Quorum and voting at meetings

In order for a decision of the Board to be valid a quorum of Directors must be present. A quorum will be two Directors present, at least one of whom must be an independent Director, in person or by instantaneous communication device or as otherwise stipulated in the Constitution. Questions arising at Board meetings are to be decided by a majority vote of Directors who are present and entitled to vote.

7.7 Circular resolutions

A resolution in writing signed by all Directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and otherwise in accordance with the Company's Constitution.

7.8 Non-Executive Directors' meetings

The Non-Executive Directors are expected to meet periodically with no management present, to review management performance.

8. Board meeting agenda, papers and minutes

8.1 Board meeting agenda

The Company Secretary, in consultation with the Chair and the Managing Director, is responsible for preparing an agenda for each Board meeting. However, any Director may request items to be added to the agenda for upcoming meetings.

8.2 Preparation and circulation of Board papers

The Company Secretary, together with the Managing Director, is responsible for the preparation and circulation of Board papers should they be required. Any Board papers will be circulated to Directors prior to the Board meeting. If a Board paper relates to a matter in which there is a known conflict of interest with a particular Director, then the relevant Board paper will be removed by the Company Secretary on the instructions of the Chair, from the set of Board papers sent to that Director. In the case of the Chair having a conflict of interest, the Board will appoint another Director to make final decisions on the forwarding of Board papers to the Chair.

8.3 Retention of Board papers

The Company Secretary maintains a complete set of Board papers at the Company's headquarters. However, individual Directors may retain their own Board papers in a secure location.

8.4 Confidentiality

All proceedings of the Board, including Board papers, minutes, presentations and other information provided to the Board, must be kept confidential except as required by law or as agreed by the Board.

8.5 Board minutes

Minutes are to be a concise summary of the matters discussed at a Board Meeting. Minutes will contain a brief reference to relevant Board papers tabled plus any official resolutions adopted by Directors. All decisions will be recorded in the minutes by means of a formal resolution.

9. Board calendar

In order to provide an even distribution of work over each financial year, the Board will adopt a twelve-month Board Calendar. Included will be all scheduled Board and Committee meetings as well as major corporate and Board activities to be carried out in particular months. Once initiated it will be updated and approved prior to the start of each financial year.

10. Committees

The Board has established the following standing Committees to assist the Board in fulfilling its responsibilities:

1. Audit and Risk Management Committee;
2. Nomination and Remuneration Committee; and
3. Health, Safety and Sustainability Committee.

The Committee Charter for each of these Committees is available on the Company's website. Nevertheless, the Board has the ability to alter the roles of each Committee as it sees fit.

If it is not practicable to operate separate Committees due to the size and composition of the Board and/or operations of the Company from time to time, the Board may perform the role of one or more of the Committees.

The Board determines the membership and composition of each Committee (taking into consideration recommendations of the Nomination and Remuneration Committee).

When appointing members of each Committee, the Board will take account of the skills and experience appropriate for that Committee as well as any statutory or regulatory requirements.

The role and responsibilities of each Committee are set out in each Committee's Charter, which is subject to annual review by the relevant Committee with any changes recommended to the Board for approval.

Minutes of Committee meetings are to be kept and tabled at the next meeting to the full Board for noting.

With respect to the Committees, the Board will ensure that the following disclosures are made in the Company's Annual Report:

(a) the current members of each Committee and their professional qualifications and experience;

(b) the number of times each Committee met throughout a period; and

(c) the individual attendances of the members of those meetings.

PART C – DELEGATIONS OF AUTHORITY

11. General delegations

Directors are responsible for any delegations of their responsibilities with regard to corporate operations. As such, they decide as a Board what Company matters are delegated to either specific Directors or management. In addition, they outline what controls are in place to oversee the operation of these delegated powers.

As a consequence, individual Directors have no individual authority to participate in the day-to-day management of the Company including making any representations or agreements with member companies, suppliers, customers, employees or other parties or organisations.

The exception to this principle occurs where the Board explicitly delegates an authority to the Director individually. Additionally, it is recognised that all Executive Directors will carry significant delegated authority by virtue of their management position.

Similarly, Committees and their members require specific delegations from the Board as a whole and these will be contained in each Committee's Charter.

In general, the Board delegates all powers and authorities required to effectively and efficiently carry out the Company's business. Listed below are the exceptions to these delegations, whereby the Board or appropriate Committee reserves the powers as indicated.

12. Decisions requiring Board approval

In addition to those decisions requiring approval pursuant to the respective Committee Charters, the following decisions must be referred to the Board for approval:

(a) Directors acquiring or selling shares, options, equity instruments or other equity securities in the Company;

(b) issuing shares options, equity instruments or other equity securities in the Company;

(c) founding, acquiring or selling subsidiaries of or any company within the Company, participating in other companies or dissolving or selling the Company's participation in other companies (including project joint ventures);

(d) acquiring or selling patent rights, rights in registered trademarks, licences or other intellectual property rights of the Company;

(e) founding, dissolving or relocating branch offices or other offices, plants and facilities;

(f) starting new business activities, terminating existing business activities or initiating major changes to the field of the Company's business activities;

(g) approving and/or altering the annual business plan (including financial planning) for the Company or any part of the Company;

(h) taking or granting loans which exceed the amount set out in the Company's Delegation of Authority Policies (including, without limitation, the placing of credit orders, issuing of promissory notes or loans against IOUs);

(i) granting securities of any type;

(j) granting loans to Company officers or employees and taking over guarantees for the Company's officers and employees;

(k) determining the total amount of bonuses and gratuities for Company officers and employees;

(l) determining the appointment or amendment to conditions of employment of members of the Board of Directors;

(m) granting or revoking a power of attorney or limited authority to sign and/or act on behalf of the Company;

(n) adoption or amendment of corporate governance policies;

(o) approval of hedging activities; and

(p) any public statements which reflect significant issues of the Company's performance, policy or strategy.

Subject to the limitations imposed by the Company's Constitution, statute and other external regulation, the Board remains free to alter the matters reserved for its decision.

PART D – CONTINUING IMPROVEMENT

13. Director protection

13.1 Information seeking protocol

Directors will adhere to the following protocol when seeking information:

(a) approach the Managing Director to request the required data;

(b) if the data is not forthcoming, approach the Chair; and

(c) if the information is still not forthcoming, write a letter to all Board members detailing the information that is required, purpose of the information, and who the Director intends to approach in order to obtain the information.

13.2 Access to professional advice

Directors are expected to exercise considered and independent judgement on the matters before them. To discharge this expectation a Director may, from time to time, need to seek independent professional advice.

Prior to seeking independent professional advice, a Director shall inform the Chair about the nature of the opinion or information sought, the reason for the advice, the terms of reference for the advice and the estimated cost of the advice. Where more than one Director is seeking advice about a single issue, the Chair shall endeavour to coordinate the provision of the advice.

Prior approval of the Board is required for independent professional advice, which will not be unreasonably withheld. The Chair has delegated authority to authorise expenditures up to $50,000. If the Chair withholds authorisation, the Director has the right to seek authority from the Board at the next Board meeting. If the cost of professional advice is likely to exceed $50,000, then the Board's approval for the independent professional advice is required.

Subject to any conflicts of interest that may arise, copies of the advice must be made available to, and for the benefit of, all Board members.

13.3 Access to Board papers

The Directors have the right to access board papers as granted by the Corporations Act. Such access shall be provided on a timely basis.

13.4 Insurance

The Company currently holds Directors' and Officers' Insurance Policies. The Company will ensure that all new Directors and Officers are included on the

Company's insurance policies. The Company will also review the Directors' and Officers' Insurance Policies on at least an annual basis to ensure that they are appropriate.

14. Board evaluation

14.1 Evaluation process

The Board considers the evaluation of its own and individual Director performance as fundamental to establishing a culture of performance and accountability.

14.2 Board and Director evaluations

The Board considers the ongoing development and improvement of its own performance as a critical input to effective governance. As a result, the Board will undertake an evaluation of the Board's and each Director's performance.

The Board will consider the outcome of such reviews and develop a series of actions to guide improvement. The Chair will provide each Director (including the Managing Director) with confidential feedback on his or her performance. This feedback is used to develop a development plan for each Director. The Board must not endorse the reappointment of a Director who is not satisfactorily performing the role.

The Nomination and Remuneration Committee will arrange for a performance evaluation of the Board, its Committees and individual Directors to be conducted on an annual basis.

14.3 Board Committee evaluations

The Board will, from time to time, set a number of expectations for its Committees. These expectations are to be derived after considering the results of previous reviews if any, an assessment of the Company's current and future needs, and a review of each Committee's Charter or purpose. As a result of a review, the Board may amend or revoke a Committee's Charter.

The Nomination and Remuneration Committee will review the performance of the Committees against expectations. Based upon the review, individuals and groups will be provided with feedback on their performance. The results of the review will be a key input into the expectations set by the Board.

14.4 Senior Executive evaluations

All senior executives at the Company will be subject to an annual performance evaluation by the Board or Nomination and Remuneration Committee. Each year, senior executives (including the MD and ED) will establish a set of performance targets. These targets are aligned to overall business goals and the Company's

requirements of the position. In the case of the MD and ED, these targets are negotiated between the MD, ED and the Board and signed off by the whole Board, taking into account recommendations of the Nomination and Remuneration Committee.

An informal assessment of progress is carried out throughout the year. A full evaluation of each executive's performance against the agreed targets takes place annually. This will normally occur in conjunction with goal setting for the coming year. Since the Company is committed to continuous improvement and the development of its people, the results of the evaluation form the basis of the executive's development plan. Performance pay components of executives' packages are dependent on the outcome of the evaluation.

15. Director development

The Company is committed to continuing development of its Directors and executives. Directors are encouraged to participate in relevant training and development programs at the Company's expense. Any Director wishing to undertake either specific directorial training or personal development courses is expected to approach the Chair for approval of the proposed course.

The Nomination and Remuneration Committee will also undertake an annual review in relation to whether there is a need for existing Directors to undertake professional development.

16. Director induction

New directors will undergo an induction process in which they will be given a full briefing on the Company. This will include meeting with key executives, tours of the premises and projects, an induction package and presentations. Information conveyed to the new Director will include:

(a) details of the roles and responsibilities of a Director with an outline of the qualities required to be a successful Director;

(b) formal policies on Director appointment as well as conduct and contribution expectations;

(c) details of all relevant legal requirements;

(d) access to a copy of the Board Charter, the Committee Charters, and all other Company Corporate Governance Policies;

(e) guidelines on how the Board processes function;

(f) details of past, recent and likely future developments relating to the Board including anticipated regulatory changes;

(g) key accounting matters and outlines of the responsibilities of Directors in relation to the Company's financial statements;

(h) background information on and contact information for key people in the organisation including an outline of their roles and capabilities;

(i) an analysis of the Company including:

(i) core competencies of the Company;

(ii) an industry background briefing;

(iii) a recent competitor analysis;

(iv) details of past financial performance;

(v) current financial structure; and

(vi) any other important operating information;

(j) a synopsis of the current strategic direction of the Company including a copy of the current strategic plan and annual budget;

(k) access to a copy of the Constitution of the Company; and

(l) a Director's Deed of Indemnity, Insurance and Access (to documents), if applicable.

PART E – ASSOCIATED DOCUMENTS

This Board Charter is to be read in conjunction with the following associated documents:

- Audit & Risk Committee Charter
- Code of Conduct
- Continuous Disclosure Policy
- Financial Delegations of Authority Policy
- Health, Safety & Sustainability Committee Charter
- Non-Financial Delegations of Authority Policy
- Nomination & Remuneration Committee Charter
- Performance Evaluation Policy
- Securities Trading Policy
- Statement of Values

Annexure A Definition of Independence

The Board considers the interests, positions and relationships which may raise issues about the independence of a director as set out in Box 2.3 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (*4th Edition*) as follows:

1. is, or has been, employed in an executive capacity by the entity 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;

2. receives performance-based remuneration (including options or performance rights) from or participates in an employee incentive scheme of the entity;

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

4. is, represents, or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;

5. has close personal ties with any person who falls within any of the categories described above; or

6. has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised.

In each case, the materiality of the interest, position or relationship needs to be assessed by the board to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity as a whole rather than in the interests of an individual security holder or other party.

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.