



## BOARD CHARTER

As reviewed by the Board of Directors September 2018

### Overall role and responsibility of the Board of Directors (Board)

The Board is responsible for the overall operation and stewardship of Exore Resources Limited (**Company**) and, in particular, is responsible for:

- (a) setting the strategic direction of the Company, establishing goals to ensure that these strategic objectives are met and monitoring the performance of management against these goals and objectives;
- (b) ensuring there are adequate resources available to meet the Company's objectives;
- (c) appointing the Managing Director, evaluating the performance and determining the remuneration of senior executives, and ensuring that appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- (d) evaluating the performance of the Board and its Directors on an annual basis;
- (e) determining remuneration levels of Directors;
- (f) approving and monitoring financial reporting and capital management;
- (g) approving and monitoring the progress of business objectives;
- (h) ensuring that any necessary statutory licences are held and compliance measures are maintained to ensure compliance with the law and licence(s);
- (i) reviewing and ratifying systems of risk management and internal compliance, code of conduct and legal compliance;
- (j) ensuring that the Company has appropriate corporate governance structures in place, including standards of ethical behaviour and a culture of corporate and social responsibility; and
- (k) ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Company.

In performing the responsibilities set out above, the Board must act at all times in a manner designed to create and continue to build sustainable value for shareholders and recognise its overriding responsibility to act honestly, fairly, diligently and in accordance with law.

The Board has the powers it needs to discharge the above responsibilities.

### Financial and audit responsibilities

Due to its size, the Company does not have a separately constituted audit committee. Accordingly, the Board is responsible for the financial and audit matters set out in Schedule 1.

### Legal and compliance responsibilities

In addition to the responsibilities listed above, the Board has the following particular responsibilities with respect to legal and compliance matters:

- (a) Ensure that procedures are in place designed to verify the existence and effectiveness of accounting and financial systems and other systems of internal control and business risk management.
- (b) Review the procedures the Company has in place to ensure compliance with laws and regulations, particularly those which may have a major impact on the Company in areas such as mining and exploration, occupational health and safety and the environment.
- (c) Review the procedures in place to ensure compliance with insider trading laws, continuous disclosure requirements and other best practice corporate governance processes, including requirements under the ASX Listing Rules, Corporations Act and AASB requirements.

### **Board membership**

Appointment to the Board is based on merit against objective criteria that serve to maintain an appropriate balance of skills and experience on the Board. In accordance with the Company's constitution, the Company must have not less than three and not more than eight directors.

### **Board meetings**

The Board will endeavour to meet for a minimum of six times in each financial year in order to appropriately discharge its responsibilities. The Board may convene additional meetings pursuant to the manner described in the Company's constitution.

### **Board committees**

1. The Board from time to time may establish committees to assist it in carrying out its responsibilities, and approve charters setting out matters relevant to the composition, responsibilities and administration of such committees and other matters that the Board may consider appropriate.
2. The Board may delegate specific responsibilities to ad hoc committees from time to time.

### **Chairman**

The Chairman is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function, and for the briefing of all directors in relation to issues arising at Board meetings. The Managing Director of the Company cannot be the Chairman of the Board at the same time.

### **Managing Director**

The Managing Director is responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out the Managing Director's responsibilities the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's financial condition and operational results.

### **Delegation to management**

The role of management is to support the Managing Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board. The delegated authority includes responsibility for:

- (a) developing business plans, budgets and strategies for the Company for consideration by the Board and, to the extent approved by the Board, implementing these 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) proposed transactions, commitments or arrangements that exceed the parameters set by the Board, referring the matter to the Board for its consideration and approval;
- (d) identifying and managing operational and other risks and where those risks could have a material impact on the Company's businesses, formulating strategies for managing these risks for consideration by the Board;
- (e) implementing the policies, processes and codes of conduct approved by the Board; and
- (f) managing the Company's current 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.



### **Independent professional advice**

The Board may seek independent professional advice at the Company's expense in carrying out its duties with the approval of the Chairman. The Chairman must not unreasonably withhold his or her consent.

### **Schedule 1**

1. Provide a link between the external auditors and the Board.
2. Review performance and independence of external auditors.
3. Review procedures for selection and appointment of external auditors and for the rotation of external audit engagement partners.
4. Recommend the appointment (including the termination of an engagement), compensation, and terms of engagement of the external auditors.
5. Monitoring the engagement of the external auditor to supply non-audit services.
6. Review financial statements for accuracy and to ensure they reflect a true and fair view, as a basis for recommendation to and adoption by the Board.
7. Review financial statements for adherence to accounting standards and policies.
8. Review accounting policies adopted or any changes made or contemplated.
9. Review management processes supporting external reporting, and any complaints or concerns raised internally regarding financial or accounting processes and practices.
10. Approve the scope of the audit.
11. Review the effectiveness of the annual audit, placing emphasis on areas where the external auditors believe special attention is necessary.