

## **METAL BANK LIMITED ACN 127 297 170**

### **BOARD CHARTER**

#### **Function**

The Company's core focus is creating value for shareholders through a combination of exploration success and quality project acquisition.

The Board's role is to govern the Company in the best interests of the shareholders as a whole, including setting the Company's strategy, promoting and protecting the Company's interests and overseeing the management of the Company.

#### **Board Composition**

In accordance with the Company's Constitution, the Company shall have not less than three and not more than 10 directors.

The Board recognizes that best practice is to have a majority of non-executive directors who are judged by the Board to be independent of judgement and character and free of material relationships with the Company and other entities and people that might influence or would be perceived by shareholders to influence such judgement. However, the Board has determined that, consistent with the size of the Company and its strategy and activities, the Board shall be comprised of three directors, two of whom are executive directors.

The Board will review membership and composition of the Board periodically with a view to progressively increasing the independent directors on the Board as the Company grows.

Criteria for determining the identification and appointment of new directors shall include experience and achievement, professional skills, potential conflicts, intellectual and physical ability to undertake Board's duties and responsibilities and the overall mix of skills, experience and backgrounds represented on the Board, including gender and the requirement for independence.

Directors will be engaged through a letter of appointment and provided with an induction program upon appointment.

The level of remuneration paid to directors will be determined by the Board, within any limits approved by shareholders.

#### **Conduct**

Directors are required to 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. Disclosures are made upon appointment, on an ongoing basis and as a standing item at the commencement of each Board meeting. Directors will ensure that no decision or action is taken that has the effect of placing his or her interest in priority to the interests of the Company.

Directors are expected to utilise their skills, knowledge and experience for and apply their judgment to all matters discussed at Board meetings. Directors have a duty to question, request information,

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raise issues and fully canvas all aspects of any issue confronting the Company, while respecting the contributions of other Directors.

Directors will keep confidential all Board discussions and deliberations.

#### **Access to Professional Advice**

The Board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. The engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably. Any advice so received will be made available to all Board members.

#### **Self Assessment**

The Board undertakes an annual performance evaluation of itself that:

- compares the performance of the Board with the requirements of its Charter; and
- effects any improvements to the Board Charter deemed necessary or desirable.

The performance evaluation is conducted in such manner as the Board deems appropriate.

#### **Responsibilities of the Board**

The Board is responsible for:

- Overseeing, approving and monitoring the Company's strategic and operating objectives, acquisitions and divestments;
- Reviewing and approving the Company's systems of risk management and internal compliance and control, including the integrity of the Company's accounting and corporate reporting systems, and monitoring the performance of the Company in these areas;
- Approving and monitoring annual budgets, major capital expenditure and capital management;
- Approving and adopting documents required by laws or external regulation, including annual and financial reports and statements to shareholders;
- Monitoring the operational and financial position and performance of the Company;
- Appointment and removal of a CEO and/or managing director, executive directors and the Company Secretary, evaluation their performance and approving the terms and conditions of employment including remuneration;
- Delegating authority to the executive directors to ensure the effective day-to-day management of the business of the Company and monitoring the exercise of such delegated authority;
- Ratifying the appointment and removal of senior executive positions reporting to the managing or executive directors and determining whether the terms and conditions (including remuneration) are appropriate,

- Ensuring that policies and procedures are in place consistent with the Company's objectives, corporate governance standards and relevant laws and monitoring compliance in these areas;
- Ensuring corporate accountability to the shareholders through an effective shareholder communications strategy.

The Board retains ultimate authority to vary or revoke delegations of authority, whether to an executive director, CEO or otherwise, at any time.

### **The Chairman**

The Board will select one of its members to be Chairman.

The Chairman will be an independent, non-executive director.

The Chairman will lead and manage the Board and utilises his or her experience, skills and leadership abilities to facilitate the governance processes.

### **The role of the Chairman is to:**

- establish the agenda for board meetings in consultation with the Company Secretary and the Board;
- preside over board meetings and general meetings of shareholders;
- ensure that the board is operating to the highest governance standards,
- Ensure that at Board meetings:
  - matters are considered carefully and thoroughly;
  - all Directors are given the opportunity to effectively contribute; and
  - the Board comes to clear decisions and resolutions are noted;
- initiate and oversee the annual process of Board and director evaluation;
- Undertake appropriate public relations activities, including as the spokesperson for the Company at the AGM and in the reporting of performance and profit figures;

### **The Company Secretary**

The Company Secretary is accountable to the Board on all governance matters and reports directly to the Chairman as the representative of the Board.

The Company Secretary is appointed and dismissed by the Board.

The Company Secretary' advice and services shall be available to all directors and committees.

### **The Company Secretary supports the Board by:**

- maintaining the information systems that are appropriate for the Board to fulfill its role and functions, including coordinating the timely completion and despatch of board and committee papers and minutes;
- monitoring that Board policy and procedures are followed; and

- developing and implementing the Company's governance, legal and regulatory compliance program and ensuring all relevant obligations are met.

### **Executive Directors**

An executive director's primary objective is to ensure the ongoing success of the Company through being responsible for those aspects of the management and development of the Company delegated to the executive director by the Board in accordance with his or her terms of engagement.

Executive directors report to the Board, through the Chair.

### **Duties of executive Director's, unless otherwise agreed, are to:**

- devote the whole of his or her time, attention and skill during normal business hours and at other times as reasonably necessary, to the duties of the office;
- develop with the Board the ongoing corporate strategy; implementing and monitoring strategy and reporting to the Board on current and future initiatives;
- be accountable for planning, coordinating and directing the operations of the Company to achieve strategic, financial and operating objectives as agreed with the Board;
- promote the interests of the Company;
- advise the Board regarding the most effective organisational structure and oversee its implementation;
- assess business opportunities of potential benefit to the Company;
- recommend policies to the Board in relation to a range of organisational issues including delegations of authority;
- ensure statutory, legal and regulatory compliance and comply with corporate policies and standards;
- Ensure appropriate risk management practices and policies are in place.

### **Board Committees**

The Board has determined that while it is comprised of only three members the Board as a whole will perform the tasks and functions generally assumed by Audit, Risk, Nomination and Remuneration Committees.

Accordingly the Board will review and oversee matters pertaining to:

#### **Audit and Risk**

- The Company's financial statements and external reporting requirements;
- The auditor and audit process, including appointment, independence and performance of external auditors;
- Internal control and risk management; and
- The Company's systems for compliance with legal and regulatory requirements;

#### Nomination and Remuneration

- The size, composition and performance of the Board;
- Nomination, appointment and re-election of directors;
- Succession planning generally; and
- Induction, performance evaluation and remuneration of directors and senior executives.

**Approved by the Board**  
**27 June 2014**