

ANOVA METALS LIMITED
ACN 147 678 779
BOARD CHARTER

1 ROLE OF THE BOARD

This Board charter sets out the principles for the operation of the board of directors of Anova Metals Limited ("**Company**") ("**Board**") and to describe the functions of the Board and those functions delegated to management of the Company.

The Board must at all times act honestly, fairly and diligently in all respects in accordance with the law and all relevant Company policies.

Each of the directors, when representing the Company, must act in the best interests of shareholders of the Company and in the best interests of the company as a whole.

2 RESPONSIBILITIES OF THE BOARD

2.1 Executive management

- (a) Appointing, monitoring, managing the performance of, and if necessary terminating (the employment of) the chief executive officer ("**CEO**"). The Board will provide monitoring benchmarks consistent with the role and responsibilities of the CEO (as described in **section 4.3**).
- (b) Overseeing and ratifying the appointment and termination (of employment) of the chief financial officer ("**CFO**").
- (c) Ratifying the terms of appointment of senior management, including in relation to the terms of equity remuneration.

2.2 Risk management and strategic planning

- (a) Monitoring the Company's performance in relation to corporate governance principles of best practice as identified and resolved by the Board.
 - (b) Approving and monitoring the Company's risk management framework.
 - (c) Approving and monitoring compliance with the Company's key corporate policies and protocols.
 - (d) Monitoring the Company's operations in relation to, and compliance with relevant regulatory requirements.
 - (e) The Board will be actively and regularly be involved in strategic planning based on the identification of opportunities and the full range of business risks. The Board recognises that strategic planning is an ongoing process that must be responsive to changes in the external environment and internal developments.
 - (f) The Board will oversee the processes that management has in place to identify business opportunities and risks.
 - (g) The Board will consider the extent and types of risk that are acceptable for the Company to bear.
 - (h) The Board will monitor management systems and processes for managing a broad range of business risks.
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2.3 Reporting

- (a) The Board must supervise disclosure in the annual report, any departures from the ASX recommendations and any information publicly available about the Company's policies.
- (b) The Company will report on its compliance with the ASX recommendations and, where appropriate, include an appropriate statement regarding departures from ASX recommendations in the annual report.
- (c) The Board will supervise the public disclosure of all matters that the ASX recommendations recommend be publicly disclosed consistent with the disclosure policy and will provide a commentary of any Board's decision not to make such disclosure or to clarify what disclosure has been made.

3 STRUCTURE OF THE BOARD

The Board is to comprise a majority of non-executive directors and will be of such size and competence necessary to deal with the current and emerging issues of the business of the Company.

4 DIVISION OF AUTHORITY BETWEEN THE CHAIRMAN AND CEO

4.1 Objective

The Company recognises that it is important that the chairman and the CEO have defined roles in the organisation and function in accordance with clear functional lines.

However, the chairman and the CEO will agree between themselves as to their respective roles in relation to all meetings (formal and informal) with shareholders and all public relations activities.

4.2 Role and responsibilities of the 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. Specific duties of the chairman include:

- (a) chairing board meetings;
- (b) establishing the agenda for board meetings, in consultation with the CEO and company secretary;
- (c) chairing meetings of members, including the annual general meeting of the Company;
- (d) be the primary spokesperson for the Company at the annual general meeting;
- (e) in consultation with the CEO, approve and/or delegate authority for the approval of all material ASX releases, and other investor and shareholder releases;
- (f) be the primary channel of communication and point of contact between the Board (and the directors) and the CEO;
- (g) be kept fully informed by the CEO of all material matters which may be relevant to directors, in their capacity as directors of the Company;
- (h) chair the CEO evaluation process; and
- (i) ensure the annual process of Board evaluation is conducted.

4.3 Role and responsibilities of the CEO

The Board appoints the CEO to manage the business on behalf of the Board and shareholders and must delegate sufficient powers to allow him or her to manage

effectively. The CEO must carry out the objectives of the Board in accordance with its instructions and within the scope of his or her delegated authority. Specific duties of the CEO include:

- (a) developing with the Board, implementing and monitoring the strategic and financial plans for the Company;
- (b) developing, implementing and monitoring the annual budgets and business plans;
- (c) planning, implementing and monitoring all major capital expenditure, capital management and all major corporate transactions, including the issue of any securities of the Company;
- (d) developing all financial reports, and all other material reporting and external communications by the Company, including material announcements and disclosures, in accordance with the Company's external communications policy;
- (e) managing the appointment of the CFO and company secretary and any other specific senior management positions;
- (f) developing, implementing and monitoring the Company's risk management framework;
- (g) consulting with the chairman and the company secretary in relation to establishing the agenda for Board meetings;
- (h) agreeing with the chairman their respective roles in relation to all meetings (formal and informal) with shareholders and all public relations activities;
- (i) in consultation with the chairman, approving and/or delegating authority for the approval of all material ASX releases, and other investor and shareholder releases;
- (j) being the primary channel of communication and point of contact between the executive staff and the Board (and the directors);
- (k) keeping the chairman fully informed of all material matters which may be relevant to the Board, in their capacity as directors of the Company;
- (l) facilitating a safe workplace for all personnel; and
- (m) ensuring that the Company has regard to the interests of employees and customers of the company and the community and environment in which the company operates.

5 CFO

The CFO and senior finance officers influencing financial performance of the Company will:

- (a) conduct their duties at the highest level of honesty and integrity;
- (b) observe the rule and the spirit of the law and comply with any relevant ethical and technical standard;
- (c) maintain the confidentiality of all information acquired in the course of conducting the role and not make improper use of, or disclose to third parties, any confidential information unless that disclosure has been authorised by the Board, or is required by law or by the ASX Listing Rules;

- (d) observe the principles of independence, accuracy and integrity in dealings with the Board, internal and external auditors and other senior managers within the Company;
- (e) disclose to the Board any actual or perceived conflicts of interest, whether of a direct or indirect nature of, which the CFO becomes aware and which the CFO reasonably believes may compromise the reputation or performance of the Company;
- (f) maintain transparency in the preparation and delivery of financial information to both internal and external users;
- (g) exercise diligence, skill and good faith in the preparation of financial information and ensure that such information is accurate, timely and represents a true and fair view of the financial performance and condition of the Company and complies with all relevant legislative requirements;
- (h) ensure that maintenance of a sound system of internal controls to safeguard the Company's assets and to manage risk exposure through appropriate forms of risk control; and
- (i) observe, develop and implement the principles of this charter in a conscientious, consistent and rigorous manner.

6 INDEPENDENCE OF DIRECTORS

6.1 Independence standard

At the time of a director's appointment the Board will consider independence and having regard to the criteria set out in the ASX Principles of Good Corporate Governance.

6.2 Disclosure of independence

Each independent director of the Company must regularly provide the Board of the Company with all information regarding his or her interests that is relevant to his or her independence having regard to the standard set out in **section 6.1**. Where the independent status of a director is lost, this must be immediately disclosed to the market.

6.3 Annual report disclosure

The Board must ensure that each annual report of the Company discloses:

- (a) in the corporate governance section, the names of directors who are considered by the Board to be independent;
- (b) the Board's reasons for considering a director to be independent;
- (c) the Board's reasons for considering a director to be independent despite the existence of the relationships set out in the ASX Principles of Good Corporate Governance;
- (d) any materiality thresholds that apply to the relationships set out in the ASX Principles of Good Corporate Governance;
- (e) in the corporate governance section, the period of office of each director.

the Company will, where appropriate include an appropriate statement regarding independence in the annual report.

7 CONFLICTS OF INTEREST

As a general principle each director must bring an enquiring, open and independent mind to Board meetings free of any actual or possible conflict of interest.

If the Board determines that a director might be in a position where there is a reasonable possibility of conflict between his or her personal or business interests, the interests of any associated person, or his or her duties to any other company, on the one hand, and the interests of the Company or his or her duties to the Company, on the other hand, the Board will require that the director:

- (a) fully and frankly informs the Board about the circumstances giving rise to the conflict; and
- (b) abstains from voting on any motion relating to the matter and absenting himself or herself from all board deliberations relating to the matter including receipt of Board papers bearing on the matter.

If the Board resolves to permit a director to have any involvement in a matter involving possible circumstances of conflicting interests the Board must minute full details of the basis of the determination and the nature of the conflict including a formal resolution concerning the matter.

If a director believes that he or she may have a conflict of interest or duty in relation to a particular matter, the director should immediately consult with the chairman.

The company secretary will maintain a register of all possible conflict of interest situations.

8 MEETINGS

Directors should ordinarily receive board papers and related material not later than five days prior to the relevant meeting.

The chairman of the meeting should ensure the availability and, if necessary, the attendance at the relevant meeting, of any member of executive management responsible for a matter included as an agenda item at the relevant meeting.

The non-executive directors should arrange to meet at least twice in each financial year to conduct a non-executive discussion of board and management issues. These meetings are to be used to provide feedback about board processes, including the adequacy and timeliness of information being provided to the Board. At times these meetings may focus on substantive issues that some Board members wish to discuss with management present. These meetings may also discuss areas where the performance of independent directors could be strengthened.

Any issues arising from these meetings that bear on the relationship between the Board and management will be communicated quickly and directly to the CEO by the chairman.

8.1 Agenda

An agenda will be prepared for each board and committee meeting.

8.2 Flying minutes

Urgent matters that cannot wait until the next Board meeting can be dealt with by a flying minute. Flying minutes should be approved by the chairman before being circulated and should normally be preceded by a telephone meeting if practical.

Flying minutes must be signed by all directors approving the action and will be entered in the Board minute book. If all directors approving the action do not sign the resolution the item is deferred to the next Board meeting.

9 BOARD COMMITTEES

The Board has established two standing committees to assist in the discharge of its responsibilities. These are the Audit Committee and the Remuneration & Nomination

Committee. Each committee has a charter detailing its role, duties and membership requirements.

10 INDEPENDENT ADVICE

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

- (a) a director must seek the prior approval of the chairman;
- (b) in seeking the prior approval of the chairman, the director must provide the chairman with details of:
 - (i) the nature of the independent professional advice;
 - (ii) the likely cost of seeking the independent professional advice; and
 - (iii) details of the independent adviser he or she proposes to instruct; and
- (c) the chairman may prescribe a reasonable limit on the amount that the Company will contribute towards the cost of obtaining such advice.

11 REMUNERATION

The level of non-executive director remuneration will be set by the Board in its capacity as the Remuneration Committee and approved by shareholders in general meeting so as to attract the best candidates for the Board while maintaining a level commensurate with boards of similar size and type.

12 BOARD PERFORMANCE

At least once in each financial year, there must be a performance evaluation:

- (a) of the Board;
- (b) individual directors' contribution to the Board; and
- (c) to establish the goals and objectives of the Board for the upcoming year.

The results will be internal to the Board, but disclosure will be made in the annual report and the Company's website that such evaluations are undertaken.

The Board will determine the manner and form of the performance evaluation.

13 REVIEW OF BOARD CHARTER

The Board will, at least once in each financial year, review this charter, and the charter of each of the committees, and make any amendments it determines are necessary or desirable.