

# **AEON METALS LIMITED**

## **BOARD CHARTER**

The Board considers that the essential responsibilities of the Directors are to oversee the activities of Aeon Metals Limited ("the Company") for the benefit of its shareholders, employees and other stakeholders and to protect and enhance shareholder value.

### **Role**

The Board is the governing body of the Company. The Board and the Company act within a statutory framework – principally the Corporations Act – and also the Constitution of Company. Subject to this statutory framework, the Board has the authority and the responsibility to perform the functions, determine the policies and control the affairs of the Company.

The Board's primary role is the protection and enhancement of long-term shareholder value. To fulfill this role, the Board is responsible for oversight of the management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

### **Composition of the Board**

The composition of the Board is determined using the principles outlined below. These principles will be reviewed on an on-going basis as the Company evolves and where the implementation of new principles is considered appropriate, having regard to the size and nature of the Company's operations.

- a minimum of three directors, with a broad range of business expertise;
- at least 1 non-executive director;
- the Chairman will be a non-executive director;
- directors should bring characteristics which allow a mix of qualifications, skills and experience; and
- directors are appointed for terms not exceeding three years but are eligible for reappointments.

### **Charter:**

The Board operates within the broad principles and responsibilities described in the following charter:

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- oversight of the Company, including its control and accountability systems;
- appointing, assessing the performance of and, if necessary removing the Managing Director/Chief Executive Officer/Executive Chairman and Company Secretary;
- contributing to the development of and approving corporate strategy;
- reviewing and ratifying systems of risk management and internal compliance and controls, code of conduct and legal compliance;
- contributing to the performance assessment of members of the senior management team;
- reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives;
- organisational performance and the achievement of strategic goals and objectives;
- compliance with the Company's code of conduct;
- progress of major capital expenditures and other corporate projects including acquisitions, mergers and divestments;
- monitoring financial performance including approval of the annual, half yearly and quarterly reports and liaison with the auditor;
- ensuring there are effective management processes in place, including reviewing and ratifying systems of risk identification and management, ensuring appropriate and adequate internal control processes, and ensuring that monitoring and reporting procedures for these systems are effective;
- enhancing and protecting the Company's reputation;
- approving major capital expenditure, capital management, acquisitions and divestments;
- reporting to shareholders;
- appointment of directors; and
- any other matter considered desirable and in the interest of the Company.

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To assist in the execution of its responsibilities, the Board has established an Audit Committee. A separate Audit Committee Charter has been introduced.

Business risk management processes are monitored by the Audit Committee and also constantly monitored by the Directors as they have a very close association with the day to day operation of the Company.

The full Board will meet on a regular basis and in addition strategy meetings and any extraordinary meetings are held at such other times as may be necessary to address any specific significant matters that may arise.

The agenda for meetings is prepared in conjunction with the Chairman and other executive directors. Senior executives are regularly involved in board discussions and directors have other opportunities for contact with all employees.

The Board conducts an annual review of its processes to ensure that it is able to carry out its functions in the most effective manner.

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company.