



## BOARD CHARTER

**Spectur Limited**  
**ACN 140 151 579**

Date Adopted: 26 April 2017

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### 1. Preamble

- 1.1 The Board of Directors (**Board**) of Spectur Limited (ACN 140 151 579) (**Company**) is committed to creating sustainable value for its shareholders.
- 1.2 The Board acknowledges its responsibility to at all times act ethically, honestly and in accordance with the Company's Corporate Code of Conduct, the law and the highest standards of corporate governance in order to best serve the interests of the Company's shareholders, as well as its employees, customers, suppliers and the local communities where it operates.

### 2. Overall role and responsibility of the Board

- 2.1 The Board is responsible for the overall operation and stewardship of the Company and, in particular, is responsible for:
- (a) providing leadership and setting the strategic objectives of the Company;
  - (b) appointing the chairperson of the Board;
  - (c) appointing, and when necessary replacing, the managing director (or the chief executive officer, if applicable);
  - (d) approving the appointment, and when necessary replacement, of other senior executives;
  - (e) overseeing management's implementation of the Company's strategic objectives and its performance generally;
  - (f) approving operating budgets and major capital expenditure;
  - (g) overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
  - (h) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
  - (i) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate;

- (j) approving the Company's remuneration framework;
- (k) monitoring the effectiveness of the Company's governance practices;
- (l) 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
- (m) ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Company.

2.2 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.

### **3. Audit function**

Due to its current size and the scope of its operation, the Company does not have a separately constituted audit committee. Accordingly the Board is responsible for the reviewing the following financial and audit matters

- (a) the adequacy of the Company's corporate reporting processes;
- (b) whether the Company's financial statements reflect the understanding of the committee members of, and otherwise provide a true and fair view of, the financial position and performance of the Company;
- (c) the appropriateness of the accounting judgements or choices exercised by management in preparing the Company's financial statements;
- (d) the appointment or removal of the external auditor;
- (e) the rotation of the audit engagement partner;
- (f) the scope and adequacy of the external audit;
- (g) the independence and performance of the external auditor;
- (h) any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor; and
- (i) if the Company has an internal audit function:
  - (i) the appointment or removal of the head of internal audit;
  - (ii) the scope and adequacy of the internal audit work plan; and
  - (iii) the objectivity and performance of the internal audit function.

### **4. 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 and the Corporations Act.

## **5. Board membership**

- 5.1 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 3 and not more than 10 directors.
- 5.2 The Board will conduct appropriate background checks prior to appointing a person as a director or recommending to shareholders that a person be appointed as a director, including (but not limited to) checks as to good character, experience, education, qualifications, criminal history and bankruptcy.

## **6. Board meetings**

The Board will endeavour to meet for a minimum of 6 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.

## **7. Board committees**

- 7.1 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.
- 7.2 The Board may delegate specific responsibilities to ad hoc committees from time to time.

## **8. Chairperson**

- 8.1 The Chairperson of the Board (**Chairperson**) 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.
- 8.2 The Managing Director or Chief Executive Officer (if a director) cannot be the Chairperson at the same time as being Managing Director.

## **9. Managing Director**

- 9.1 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.
- 9.2 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.

## **10. Company Secretary**

10.1 The Company Secretary is accountable to the Board, through the Chairperson, on all governance matters.

10.2 The Company Secretary is responsible for:

- (a) advising and supporting the Chairman and the Board in relation to the management of the day-to-day governance framework of the Company and Board committees;
- (b) monitoring compliance by the Board and its committees with applicable policies and charters;
- (c) completing and despatching of Board agendas and papers in a timely manner; and
- (d) assisting with all matters related to the proper functioning of the Board, including advising on governance matters and arranging the induction and professional development of directors.

## **11. 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.

## **12. Independent professional advice**

Where the Board collectively, or directors individually, judge that independent professional advice is necessary to assist them to discharge their responsibilities as directors, they may seek such advice at the Company's expense with the approval of the Chairperson, such approval not to be unreasonably withheld.

### **13. Review of performance**

- 13.1 The Board will review and evaluate the performance of the Board itself and each of its committees to ensure that each is working effectively in discharging their responsibilities and achieving their objectives. The Board may engage professional advisors and external consultants in this regard.
- 13.2 The review and evaluation process will include the following (non-exhaustive) matters:
- (a) the Chairperson reviewing and evaluating each director's performance in relation to appropriate evaluation measures, including the requirements of this Charter;
  - (b) the directors (other than the Chairperson) reviewing and evaluating the Chairperson's performance in relation to appropriate evaluation measures, including the requirements of this Charter;
  - (c) the Chairperson reviewing and evaluating each committee's performance against its charter or policy and reporting on the same to the Board;
  - (d) considering and establishing additional goals and objectives; and
  - (e) considering and making appropriate changes to the Company's various corporate governance charters and policies.

### **14. Review of Charter**

The Board will review this Charter on an annual basis to ensure that it is appropriate for the Company's stage of development and appropriately reflects the Board's roles and responsibilities.