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**Bathurst Resources Limited**  
**CN 4382538**

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**3.5 Board Charter**

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## **Bathurst Resources Limited (“Company”)**

### **Board Charter**

#### **Purpose**

1. This Board Charter (“Charter”) sets out the role, responsibilities, structure, and processes of the Board. It is not an all-inclusive document and should be read as a broad expression of principles.

#### **Duties and responsibilities**

2. The Board is responsible for representing and serving the interests of shareholders by providing leadership, setting the strategic direction of the Company, and ensuring the creation of long-term value through effective corporate governance. Key responsibilities include:
  - Leadership selection - appointing the Chair of the Board; appointing and reviewing performance of the Chief Executive Officer; appointing the Chief Financial Officer (based on the recommendation of the Chief Executive Officer); approving the appointment of the Company Secretary.
  - Succession and remuneration planning – Board, CEO and Executive Management development and succession planning, and reviewing performance. Approval of remuneration framework on submission from Remuneration Committee.
  - Strategy - input into and final approval of corporate strategy, including defining the Company’s purpose.
  - Financial oversight - input into and final approval of the annual operating budget and business plans including the capital expenditure budget; and monitoring of the same.
  - Capital – approval of major capital expenditure and capital initiatives in excess of authority levels delegated to management, including capital management and acquisitions/divestitures.
  - Risk management framework – together with the other Board Committees, setting the risk appetite of the Company and overseeing the effectiveness of risk management and compliance in the organisation, including health and safety.
  - Compliance – ensuring regulatory compliance and compliance with the provisions of the Company’s Constitution.
  - Financial and other reporting – approving and monitoring financial and other reporting to the market.
  - External audit - appointment, reappointment or replacement of the external auditor.
  - Corporate governance - monitoring the effectiveness of the Company’s governance practices with reference to the Company’s governance and other significant corporate policies, as well as the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations.
  - Operating sustainably - considering and monitoring the social and environmental impact of the Company’s activities with a view to improve and reduce these in the long term.

### **Composition of the Board**

3. The Board can be comprised of up to 8 directors, with a minimum of 3. Ideally the majority of directors are Independent Non-Executive Directors with a maximum of 2 Executive Directors, however this is a guiding principle only.
4. The Chairman is to be an Independent Non-Executive Director.
5. The Board should be of a size and composition that is conducive to making decisions expediently, with the benefit of a variety of perspectives and skills, and in the best interest of the Company as a whole rather than of individual shareholders or other stakeholders.

### **Ethical standards**

6. In discharging their duties, each Director must:
  - Exercise care and diligence;
  - Act in good faith in the best interests of the Company;
  - Not improperly use their position or misuse information of the Company;
  - Commit the time necessary to discharge effectively his/her role as a Director; and
  - Remain free of conflicts wherever possible and declare any conflicts to all directors immediately.
7. Non-Executive Directors should confer regularly without Executive Directors and management present.

### **Board performance**

8. At least once each year, the Directors will:
  1. Review this Charter and approve any required amendments including those required to comply with the ASX Corporate Governance Principles and Recommendations; and
  2. Formally review the Board's performance during the previous 12 months and disclose any insights of this review and improvements made.

### **Meetings**

9. It is anticipated that the Board meet at least 11 times a year, the frequency and type of such meetings being determined by the Chair.

### **Appointment and removal of directors**

10. The Remuneration and Nomination Committee is responsible for making recommendations to the Board relating to the succession planning and appointment and retirement of directors.
11. A new director will receive a formal Letter of Appointment setting out the key terms and conditions relative to the appointment. Normal on-boarding checks for employees will be followed, as well as additional measures reflecting the increased levels of responsibility held by directors.
12. All directors must ultimately be appointed by an ordinary resolution by shareholders, and are subject to maximum terms of employment, unless re-elected. For further information refer to the Company's constitution saved down at <https://www.bathurst.co.nz/our-company/corporate-governance/>.

### **Committees**

13. To assist the Board in fulfilling its duties and responsibilities, it has established three Committees:
  1. Remuneration and Nomination Committee;
  2. Audit & Risk Management Committee; and
  3. Health, Safety, Environment and Community (HSE&C) Committee
14. Each Committee has a formal Charter.
15. With the exception of certain limited delegations contained in their Charters, recommendations of the Committees are to be referred to the Board for approval. Minutes of each committee meeting shall be included in the next board meeting pack for ratification by the Board.
16. For further information on each Committee's key responsibilities, refer to the respective Charters available at <https://www.bathurst.co.nz/our-company/corporate-governance/>.

### **Independence of directors**

17. Independent directors are those who are free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.
18. When assessing a director's independence, the Board makes reference to Box 2.3 of the ASX Principles. The Company has an Independence of Directors Policy which outlines the factors considered when determining if a director is independent. This can be found at <https://www.bathurst.co.nz/our-company/corporate-governance/>.
19. The Board regularly reviews the independence of each Non-Executive director.
20. Directors are best able to determine if they have an interest or relationship which is likely to impact on their independence. Each Director is expected to advise the Chairman immediately if he/she believes they may no longer be independent. Should the Chairman or any other Director have any concern about the independence of a Director, they must immediately raise the issue with that Director and, if the issue is not resolved, with the Board.
21. Should the Chairman have any concern about his/her own independence, he/she must immediately raise the issue with the Board.
22. Each director must immediately disclose to the Chairman (with a copy to the Company Secretary) all information relevant for determining whether the Director is independent, including details of entities in which the Director has a material direct or indirect shareholder (or other interest), is an executive officer or is a director.
23. In the preparation of the Agenda for each Board Meeting, the Chairman and Company Secretary need to be sensitive to disclosed interests and consider whether it is appropriate to withhold part or all of an agenda item (including any relevant papers) from any Director because of a potential or actual conflict. If the Chairman decides to withhold part or all of an agenda item from a Director they must advise the Director at the time of dispatch of the relevant Board Paper.
24. Directors are to inform the Chairman prior to accepting any new appointment to a listed entity's board.

25. Where the independent status of a Director is removed, this is to be immediately disclosed to the market via the ASX.

#### **Access to information and independent advice**

26. The Board and Committees must be provided with the information they need to discharge their responsibilities efficiently.
27. Management must supply the Board and Committees with information in a form, timeframe and quality that enables them to discharge their duties effectively. All Directors are to receive copies of Committee papers.
28. Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making. Any Director has the authority to seek any information he/she requires from any employee of the Company and all employees must comply with such requests. It is expected that any significant issues are communicated to the Chairman, Chief Executive Officer, Chief Financial Officer or Company Secretary.
29. Any Director may take such independent legal, financial or other advice as they consider necessary at the Company's cost. Any Director seeking independent advice must first discuss the request with the Chairman who will facilitate obtaining such advice and, where appropriate, dissemination of the advice to all Directors. In the case of a request made by the Chairman, approval is required by at least two other Board members.

#### **Director share trading**

30. The Company's Share Trading Policy imposes restrictions on the trading of financial products (for example, shares, options or warrants) by any Directors or employees in possession of undisclosed price sensitive information. In addition, the Share Trading Policy imposes additional restrictions on Directors and key employees in relation to non-trading periods and obtaining clearance to trade.

#### **The Chairman**

31. The Chairman:
- is to be an independent Non-Executive Director;
  - is not to exercise the role of Chief Executive Officer of the Company; and
  - is not to have previously held the position of Chief Executive Officer of the Company.
32. The Chairman is responsible for: -
- Leadership of the Board;
  - Overseeing the Board in the effective discharge of its supervisory role;
  - The efficient organisation and conduct of the Board's function and meetings;
  - Facilitating the effective contribution of all Directors;
  - Briefing of all directors in relation to issues arising at meetings;
  - The promotion of constructive and respectful relations between board members and between the Board and management;
  - Supervising the Company Secretary who is directly accountable to the Chair;
  - Committing the time necessary to discharge effectively his/her role as Chairman; and
  - Ensuring there is regular and effective evaluation of the Board's performance.

### **Responsibilities of the Chief Executive Officer**

33. The Chief Executive Officer is responsible for the day-to-day management of the Company with all powers, discretions and delegations authorised, from time to time, by the Board.
34. The Chief Executive officer is to have a formal Employment Agreement describing his/her term of office, duties, rights and responsibilities and entitlements on termination.
35. At each meeting where the Board approves the Half Year and Full Year Financial Statements, the Chief Executive Officer (together with the Chief Financial Officer) must provide written certification to the Board prior to the approval of the accounts that the information in the published financial reports complies with generally accepted accounting standards and present a true and fair view of the financial affairs of the Company.
36. The Chief Executive Officer's primary duties are to:
  - formulate and recommend business and financial strategies and plans to develop the Company's business and to implement these plans as approved by the Board to achieve agreed performance targets;
  - 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 with stakeholders and the investment community;
  - provide the Board with accurate, timely and clear information to enable the Board to discharge its duties and responsibilities; and
  - faithfully and diligently perform the duties and exercise the powers:
    - i. Consistent with the position of a chief executive officer of a Company; and
    - ii. Assigned by the Board.

### **Responsibilities of the Chief Financial Officer**

37. The Chief Financial Officer is to have a formal Employment Agreement describing his/her term of office, duties, rights and responsibilities and entitlements on termination.
38. At each meeting where the Board approves the Half Year and Full Year Financial Statements, the Chief Financial Officer (together with the Chief Executive Officer) must provide written certification to the Board prior to the approval of the accounts that the information in the published financial reports complies with generally accepted accounting standards and present a true and fair view of the financial affairs of the Company.
39. The Chief Financial Officer supports the effectiveness of the Board by:
  - Ensuring that the Board policy and procedures are followed.
  - Coordinating the completion and dispatch of Board agendas and briefing papers.
  - Maintaining compliance and internal control systems which ensure the Board and Company adhere to ASX Listing Rules, the Companies Act and the Financial Reporting Act 1993.
40. The Chief Financial Officer is responsible to the Board, through the Chairman, on all governance matters.

### **Written resolutions**

41. Written Resolutions:
  - (a) are to be sent to all Directors entitled to receive notice of Board Meetings;
  - (b) are not to be implemented until assented to by all of the Directors in receipt of the written resolution in question.

### **Code of conduct**

42. The Board has adopted, and from time to time amends, the Company's Code of Conduct. This is a formal code of conduct and ethics to be observed by all Directors, employees, consultants and any other person when they represent the Company.
43. The Code of Conduct governs the commercial operations of the Company and deals with compliance in key areas. Refer to the Company's website <https://www.bathurst.co.nz/our-company/corporate-governance/> for further information.

### **Continuous Disclosure Policy**

44. To ensure compliance with the relevant provisions of the Companies Act and the ASX Listing Rules, the Board has adopted, and from time to time amends, the Continuous Disclosure Policy. This is a formal policy designed to ensure that all employees are aware of the continuous disclosure obligations of the Company.
45. The policy can be found at <https://www.bathurst.co.nz/our-company/corporate-governance/>.

### **Shareholder Communications Policy**

46. The Board has adopted, and from time to time will amend, the Shareholder Communications Policy. The Shareholder Communications Policy is designed to promote effective communication with shareholders and encourage effective participation at general meetings.
47. Beneficial owners of the Company's shares are encouraged to contact the Company's Share Registry to arrange the direct receipt of shareholder materials.
48. The policy can be found at <https://www.bathurst.co.nz/our-company/corporate-governance/>.

### **External Auditor**

49. The external auditor must attend the Annual General Meeting of the Company so that they can answer any queries from shareholders pertaining to the audit and their independence.

**Last reviewed and adopted: June 2020**