

## **BOARD CHARTER AND THE ROLE OF SENIOR MANAGEMENT**

The Board of Petratherm Ltd (“**the Company**”) aims to lay solid foundations for management and oversight through compliance with the ASX Corporate Governance principles and recommendations with a framework designed to:

- Enable the board to provide strategic guidance for the company and effective oversight of management
- Clarify the respective roles and responsibilities of board members and senior executives in order to facilitate board and senior executives’ accountability to both the company and its shareholders
- Ensure a balance of authority so that no single individual has unfettered powers.

### 1) **Role of the Board**

The Board is responsible for the Corporate Governance framework of the Company. The Board oversees the business operations of the Company and is responsible for establishing the direction, strategy and financial objectives of the organisation. Detailed responsibilities and powers reserved to the Board are set out below:

- overseeing the company, including its control and accountability systems
- reviewing annually the performance of the managing director and senior executives against the objectives and performance indicators established by the Board. The annual review of senior executives was undertaken by the Board during the year.
- Overseeing the establishment and maintenance of adequate internal controls and effective monitoring systems
- approving the strategic direction and related objectives of the Company and monitoring management performance in achievement of those objectives

- ensuring appropriate resources are available to senior executives
- approving and monitoring the progress of capital expenditures, capital management, and acquisitions and divestitures
- ensuring all major business risks are identified and effectively managed including overseeing the implementation and management of effective safety and environmental performance systems
- ensuring all legal and statutory obligations are met
- approving and monitoring financial and other reporting including the adoption of budgets.

In carrying out the above responsibilities and in discharging their role of a director, their role will also include:

- contribute to the activities of the Company to the level of skill and care expected
- discharge the duties as a director in good faith and honestly in the best interests of the Company
- carry out duties as a director for the proper purpose in the best interests of the company
- act with the required level of care and diligence
- avoid conflicts of interest and not allow personal interests or the interests of associated to conflict with the best interests of the Company
- not make improper use of their position or information gained through the position of director
- make reasonable enquiries to ensure that the Company is operating effectively
- act in full accordance with the duties and obligations imposed on them by the Board, Constitution and all applicable law.

Day to day management of the Company's affairs and the implementation of the corporate strategy and policy initiatives, are formally delegated by the Board to the Managing Director and ultimately to senior executives.

### 1.1) Role of the Chairman

The Board will select one of its non-executive members to be Chairman. In addition to the responsibilities and powers in accordance with their role as a director, the role of the Chairman includes:

- ensuring that the Board provides leadership and vision to the Company
- together with the Managing Director and Company Secretary set the agenda of Board Meetings
- facilitate the work of the Board at its meetings and ensure that the principles and processes of the Board are maintained, including allowing all directors to effectively contribute and allow clear decision making
- ensure that Board minutes properly reflect the decisions made during meetings
- engage regularly with the Managing Director to stay abreast with the day-to-day operations of the Company and provide mentoring to the Managing Director
- Act as a representative and spokesperson of the Board where required
- Conduct the Annual General Meeting and other General Meetings

In the absence of the Chair from a meeting the Board will appoint a non-executive Director to act as the Chairman for that particular meeting.

## 2) Membership of the Board

The membership of the Board will be directed by the following requirements:

- The constitution of Minotaur specifies that there must be at least three directors and no more than nine. The Board may determine the size of the Board within those limits.
- The Board should, collectively, have the appropriate level of personal qualities, skills, experience and time commitment to properly fulfil its responsibilities or have ready access to such skills where they are not available.
- New directors will be recommended to the Board by the Remuneration and Nomination committee.

The Board may establish committees to assist it in carrying out its responsibilities. The Board will adopt charters setting out the membership, administration, purpose, responsibilities and functions appropriate to that committee.

### **3) Role of Senior Management**

The role and responsibilities of Senior Management includes the day to day management of the Company's affairs and the implementation of the corporate strategy and policy initiatives as delegated by the Board. Specific duties delegated to Senior Management include:

- Recommend the strategic direction and related objectives of the Company to the Board for approval and once it is approved, implement the corporate strategy
- assume day to day responsibility for the compliance with relevant laws and regulations and its compliance framework
- achieve the performance targets set by the Board
- develop, implement and manage the risk management and internal control frameworks
- develop, implement and update the policies and procedures of the Company
- provide sufficient and relevant information to the Board to enable the Board to effectively discharge its responsibilities
- manage the Company's current financial and other reporting mechanisms to ensure that these mechanisms are functioning effectively to capture all relevant information on a timely basis
- manage the human, physical and financial resources of the Company to achieve the strategic objectives.

### **4) Implementation**

This charter was adopted by the Board on 31 January 2018 and will be reviewed by the Board on an annual basis.