



## BOARD CHARTER

### 1. Introduction

The Board of Mineral Commodities Ltd (MRC or Company) is accountable to members for the proper management of the Company’s business and affairs. The Board guides and monitors the business and affairs of the Company of behalf of the members by whom they are elected and to whom they are accountable.

### 2. Role and Responsibilities

The primary role of the Board is to provide effective governance over MRC’s affairs to ensure the interests of members as a whole are protected while having regard to the interests of all stakeholders including customers, employees, suppliers and local communities in which MRC operates.

#### 2.1 Responsibilities

The Board’s key responsibilities are to:

- (a) chart the direction, strategies and financial objectives for MRC and monitoring the implementation of those policies, strategies and financial objectives;
- (b) monitor compliance with regulatory requirements, ethical standards and external commitments;
- (c) appoint, evaluate the performance of, determine the remuneration of, plan for the successor of and, where appropriate, remove the Managing Director and Chief Executive Officer; and
- (d) ensure that the Board continues to have the mix of skills and experience necessary to conduct MRC’s activities, and that appropriate directors are selected and appointed as required.

#### 2.2 Powers

In addition to matters expressly required by law to be approved by the Board, powers specifically reserved for the Board are:

- (a) appointing the Managing Director and Chief Executive Officer and determining his or her terms and conditions (including remuneration);
- (b) approving any matters in excess of discretions that the Board may have, from time to time, delegated to the Managing Director and Chief Executive Officer; and
- (c) approving each of the following:
  - (i) the budget and strategic plan, at least annually;
  - (ii) the remuneration and conditions of service for any executive directors, direct reports to the Managing Director and Chief Executive Officer and the Company Secretary, at least annually;
  - (iii) significant changes to organizational structure and the appointment of such senior officers as the Board determines;
  - (iv) the acquisition, establishment, disposal or cessation of any significant business;
  - (v) the issue of any shares, options, equity instruments or other securities ;
  - (vi) any public statements which reflect significant issues of policy or strategy, or have the potential to impact on the reputation of MRC; and
  - (vii) any changes to the discretions delegated from the Board.

### 3. Composition of the Board

#### 3.1 Number of Independent Directors

<b>Library Number</b>	<b>MRC-GVC-POL-0020</b>		
Release Number	0	Document Owner	Corporate Secretary
Release Date	06/06/2018	Document Approver	Executive Chairman

This is a **CONTROLLED DOCUMENT**. Please check release currency prior to use.



The Board will aim to ensure that at least half of the Board will be independent directors. Independence in this context is defined below. Ideally, a director cannot hold the positions of both Chairman and Managing Director and Chief Executive Officer.

### 3.2 Independence of Directors

An independent director is a non-executive director who is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of MRC.

In determining whether the director is free from any interest which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of MRC, the following factors are considered:

- (a) whether the director is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- (b) whether within the last 3 years, the director has been employed in an executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment;
- (c) whether within the last 3 years, the director has been a principal of a material professional adviser or a material consultant to the Company or another group member or an employee materially associated with the service provided;
- (d) whether the director is a material supplier or customer of the Company or other group member or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- (e) whether the director has any material contractual relationships with the Company or another group member other than as a director of the Company;
- (f) whether the director has served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

The directors may from time to time consider the materiality thresholds to be applied for the purpose of independence.

## 4. Meetings

The Board will meet at least 4 times each year.

The non-executive directors will meet together without the presence of executive directors at least once per year.

## 5. Delegation to CEO

In accordance with MRC's constitution, the Board delegates responsibility for day-to-day management of MRC to the Managing Director and Chief Executive Officer subject to any limits of such delegated authority as determined by the Board from time to time. The Managing Director and Chief Executive Officer must, however, consult the Board on matters that are sensitive, extraordinary or of a strategic nature.

In delegating powers to the Managing Director and Chief Executive Officer, the Board must ensure that it believes and regularly assesses the reliability and competence of the Managing Director and Chief Executive Officer.

<b>Library Number</b>	<b>MRC-GVC-POL-0020</b>		
Release Number	0	Document Owner	Corporate Secretary
Release Date	06/06/2018	Document Approver	Executive Chairman

This is a **CONTROLLED DOCUMENT**. Please check release currency prior to use.



## 6. Board Committees

The Board operates through committees that are responsible for particular areas. The 2 standing committees are the Audit, Compliance and Risk Committee and the Remuneration and Nomination Committee. Each committee operates in accordance with a written charter.

## 7. Independent Advice

Directors may take independent professional advice on matters relating to their roles and responsibilities as directors of MRC. MRC will pay the reasonable legal costs incurred by a director in doing so, provided that before the advice is obtained the director discusses the requirement for the advice with the Chairman (or in the case of the Chairman, with at least two other directors) and obtains the Chairman's prior written consent (or in the case of the Chairman, the prior written consent of at least two other directors) before incurring any such reasonable legal costs (which consent is not to be unreasonably withheld or delayed). Any advice obtained by a director must be made available to the other directors as soon as practicable after it has been obtained.

## 8. Conflicts of Interest

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of MRC and comply with the Company's constitution and the *Corporations Act 2001* (Cth).

## 9. Confidentiality

All proceedings of the Board, including papers submitted and presentations made to the Board, will be kept confidential and will not be disclosed or released to any person other than Board members, except as required by law or as agreed by the Board.

## 10. Access

The Board will have full and free access to executives and other employees of MRC. Agreements have been entered into with each director which gives them the right to access any Board papers held by MRC in certain circumstances.

## 11. Code of Conduct

Each member of the Board shall abide by the terms of the MRC Code of Conduct in all dealings with and on behalf of MRC.

## 12. Evaluation

The Board will annually assess the performance of the Board as a whole, and the individual directors, as well as the effectiveness of this Board charter.

<b>Library Number</b>	<b>MRC-GVC-POL-0020</b>		
Release Number	0	Document Owner	Corporate Secretary
Release Date	06/06/2018	Document Approver	Executive Chairman

This is a **CONTROLLED DOCUMENT**. Please check release currency prior to use.