

BOARD CHARTER – CUDECO LIMITED

1. Overview

The board is primarily responsible for the overall strategy, direction and corporate governance of CuDeco Limited and its related entities (CuDeco). The Board's objective is to create successful outcomes for the benefit of the Company's customers, staff and security holders.

This Charter outlines the Board's role responsibilities, membership and conduct, and the areas of authority delegated to management.

2. CuDeco Constitution

The CuDeco Constitution is CuDeco's key governance document. The Board ensures that it and CuDeco complies with the provisions of the Constitution. Meetings and proceedings of the Board will be governed by the provisions of CuDecos' Constitution.

3. Role and responsibilities of the Board

3.1 Board Responsibility

The Board has specifically reserved certain matters for its decision. The Board delegates to management, through the CEO, the power and authority to decide for the Board are:

- Providing leadership and setting the strategic objectives of the entity;
- Appointing the chair ,the deputy chair and the lead independent director;
- appointing, reviewing and when necessary replacing, the CEO;
- approving the appointment, and when necessary replacement, of other senior executives;
- overseeing management's implementation of the entity's strategic objectives and its performance generally;
- approving operating budgets and major capital expenditure;
- overseeing the integrity of the entity's accounting and corporate reporting systems, including the external audit;
- overseeing the entity's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have a material effect on the price or value of the entity's securities;
- ensuring that the entity has in place an appropriate risk management framework and setting the risk appetite within which the board expects management to operate;
- approving the entity's remuneration framework; and
- monitoring the effectiveness of the entity's governance practices.

The Board may delegate any powers to a Committee of the Board.

3.2 Delegation to Management

It is the role of senior management to manage the activities of the Company in accordance with the direction and delegations of the Board. It is also responsible for providing the Board with accurate, timely and clear information to enable the Board to perform it's responsibilities. It is the Board's responsibility to oversee the activities of management in carrying out those delegated duties.

3.3 Conduct and Conflicts of Interest

The Company is committed to maximising shareholder value whilst also promoting shareholder and general market confidence in the Company.

The Board has adopted a Code of Conduct to assist directors, officers and employees understand the expectations on them to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Directors are required to, among other things:

- comply with the Director's Code of conduct;
- avoid conflicts of interests between their personal interests and those of the Company, and comply with the Company's conflict of interest policy;
- not take advantage of opportunities arising from their position for personal gain or in competition with the Company; and
- comply with the Company's securities trading and other governance policies.

4. Committees

The Board may establish and cease committees from time to time as it considers appropriate and may delegate any of its powers to those committees. The Board shall decide the composition, role and responsibilities of those committees, and shall adopt a Charter for each committee.

As at the date of this Charter, the Board has established the following committees:

- Audit and Risk Committee;
- Human Resources, Remuneration and Nominations Committee

The Board shall decide the membership of the Committees annually.

5. Board framework

5.1 Board Composition

The composition of the Board is determined by reference to the Constitution and with consideration of an appropriate mix of skills, experience and diversity that enables the directors individually, and the Board collectively, to:

- understand the business of the Company and the business environment in which it operates so as to be able to effectively review and challenge the performance of management and exercise independent judgement; and
- discharge their legal duties and responsibilities effectively and efficiently.

The Board utilises a board skills matrix to assist in the planning of the desired composition.

5.2 New Directors

New directors receive a letter of appointment which sets out the key terms and conditions relating to the appointment, including:

- the term of the appointment, subject to shareholder approval;
- the expectations of the Board in relation to the preparation for and attendance at Board and Committee meetings;
- the procedures for dealing with conflicts of interest;

- remuneration;
- confidentiality requirements and access to corporate information;
- disclosure obligations;
- the availability of independent professional advice;
- indemnification and directors' liability insurance

5.3 Independence

A majority of the Board will be independent directors as assessed by the Board.

The Board has adopted the definition of an 'independent director' as a non-executive director who:

- does not hold more than 10% of the Company's total number of voting securities or is an officer or otherwise associated directly with a shareholder holding more than 10% of the Company's voting securities;
- has not, within the last three years, been employed in an executive capacity by the Company or been a director after ceasing to hold any such employment;
- has not, within the last three years, been a principal of a material professional adviser or material consultant to the Company, or an employee materially associated with the service provided;
- is not a material supplier of the Company, or an officer or otherwise associated directly or indirectly with a material supplier ;
- has no material contractual relationship with the company;
- is free from any interest 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 the Company.

When reviewing the materiality of activities or relationship between a director and the Company (other than as a director), the significance of the activities or relationship to the director will be reviewed in the context of the activities as a whole. As a guideline, a relationship will be considered to be immaterial where it generates in the ordinary course of business, on an arms-length basis, less than 5% of the director related business revenue, and will be considered material when it generates more than 10% of the consolidated gross revenue in a twelve month period..

Directors identified as independent are required to advise the Board and company secretary where circumstances arise where they consider that they no longer satisfy the requirements to be assessed as independent. In addition, the Board will regularly assess the independence of each non-executive director.

5.4 Professional Development

Directors may, subject to prior approval from the Chair, undertake training and professional development, as appropriate, at the Company's expense.

5.5 Independent Professional Advice

Each director has the right of access to all relevant information and to the Company's executives and, subject to prior approval from the Chair, may seek independent professional advice the Company's expense.

6. Board Performance Evaluation

The Board will undertake an annual performance assessment of the Board as a whole, as well as individual directors.

The Board shall agree the process for conducting the Board's annual performance evaluation. The process may include a questionnaire to all directors which includes matters such as:

- Board's overall performance relative to its objectives;
- Board composition and structure, including mix of skills and expertise;
- Board processes to monitor business performance, compliance and risks;
- Interaction between Board members and the Board and management; and
- Performance and effectiveness of Committees.

A written report of the results of the questionnaire, including recommendations where appropriate, will be presented and discussed by the Board.

The Board shall consider whether an externally facilitated evaluation should be conducted every second year.

7. Access

The Company's external auditors are not to be constrained from raising issues directly with the Board.

Directors may seek further information on any issue, including requesting that a particular member of senior management present to the Board on performance, strategy or outlook for a particular business area or the Company as a whole.