



Aurelia Metals Limited
ACN 108 476 384

Board Charter

Adopted as at 21 April 2021

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Board Charter

1 Introduction

- 1.1 This is the Charter of the Board of Directors of Aurelia Metals Limited and its related bodies corporate (**'Aurelia'** and, together with its controlled entities, **'the Group'**).
- 1.2 The purpose of this Charter is to:
- (i) set out the respective roles and responsibilities of the Board and management; and
 - (ii) establish the structure and processes of the Board.

2 Matters reserved to the Board

- 2.1 In addition to the matters required by law to be approved by the Board, the Board reserves to itself the following matters:
- (i) appointing the Chair of the Board;
 - (ii) appointing any person as a Director to fill a casual vacancy or as an addition to the Board pursuant to Aurelia's Constitution;
 - (iii) establishing Board Committees;
 - (iv) appointing and removing the Managing Director and Chief Executive Officer (**CEO**), and any other Executive Directors, and the Company Secretary, and determining their remuneration and conditions of service;
 - (v) authorising the issue of any shares, options, equity instruments or other securities;
 - (vi) approving the appointment and removal of executives who report directly to the CEO;
 - (vii) approving the strategic plan and budgets;
 - (viii) approving all senior management succession plans;
 - (ix) approving Aurelia's statement of values and code of conduct;
 - (x) approving the acquisition, establishment, disposal or cessation of any significant business of Aurelia;

- (xi) approving and monitoring, operational and financial targets and the framework within which management must operate;
- (xii) approving expenditure in excess of the limits delegated at any time to the CEO;
- (xiii) approving and monitoring the progress of major capital expenditure and capital management;
- (xiv) approving borrowings, other than in the ordinary course of business, and the granting of security over, or interests in, Aurelia's undertaking or any of its assets;
- (xv) approving financial reports and any other information for disclosure to the market containing statements as to future financial or operational performance or changes in strategy or policy;
- (xvi) setting risk tolerance levels and approving the risk appetite within which management is to operate;
- (xvii) monitoring systems of risk management and internal control, codes of conduct and legal compliance;
- (xviii) approving Aurelia's remuneration framework and policies and setting, monitoring and ensuring appropriate accountability for the remuneration of Directors and executives who report directly to the CEO;
- (xix) approving significant changes to organisational structure;
- (xx) monitoring management's performance generally and its implementation of strategy and instilling of Aurelia's values;
- (xxi) approving any changes to the authority delegated to the CEO by the Board;
- (xxii) recommending appointment or removal of external auditors for approval by shareholders;
- (xxiii) approving interim and final dividends;
- (xxiv) approving non-executive Director fees and Committee fees, subject to the fee pool approved by shareholders; and
- (xxv) approving policies of Group wide or general application.

3 Delegation to management

- 3.1 Save for the matters reserved to the Board in section 2, the Board has delegated responsibility for the management of the Group's business and affairs to the CEO.
- 3.2 The Board will establish a Delegation of Authority setting out the limits on the CEO's authority in relation to capital expenditure, operational expenditure and other major contractual commitments.
- 3.3 The Audit Committee will review the Delegation of Authority set by the Board at least every two years and make recommendations to the Board regarding any changes it considers necessary.

4 Structure of the Board

- 4.1 The size and composition of the Board is to be determined in accordance with the following principles:
 - (i) The Board should comprise a majority of independent Directors. The Board needs to have an appropriate number of independent non-executive Directors who can challenge management and hold them to account, and represent the best interests of Aurelia and its shareholders as a whole rather than those of individual shareholders or interest groups.
 - (ii) In accordance with rule 47 of Aurelia's Constitution the minimum number of Directors will be three.
 - (iii) The Board needs to be of sufficient size so that the requirements of the business can be met and changes to the composition of the Board (and its Committees) can be managed without undue disruption.
 - (iv) The Chair of the Board should be an independent Director and should not be Aurelia's CEO.
 - (v) The Board should comprise Directors with an appropriate range of skills, experience, expertise and diversity to ensure that the Board collectively has the skills needed to discharge its obligations effectively and add value.
- 4.2 The Board will regularly review the Board's composition to consider the appropriateness of its size and collective skill set.

5 Independence

- 5.1 The Remuneration and Nomination Committee will assess at least annually, the independence of each Director and make recommendations to the Board regarding the independence or otherwise of each Director.
- 5.2 In assessing the independence of a Director, Aurelia will have regard to the criteria for independence set out in the current edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**).
- 5.3 Where a Director does not meet one or more of the criteria for independence set out in the current edition of the ASX Recommendations, the Board shall assess the materiality of the interest, position or relationship in question to determine whether it might influence, or reasonably be perceived to influence, in a material respect the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Aurelia as a whole rather than in the interests of an individual shareholder or other party.
- 5.4 The independent status of each Director and their length of service will be disclosed in Aurelia's annual corporate governance statement.
- 5.5 Each Director will inform the Board or the Remuneration and Nomination Committee of any change to their interests, positions, associations or relationships that could affect their independence.
- 5.6 If the Board determines that a Director's status as an independent Director has changed, that determination will be disclosed and explained to the market in a timely manner. Any decision by the Board not to change a Director's status as an independent Director despite the Director having an interest, position, association or relationship of a type described in the ASX Recommendations will be disclosed and explained within Aurelia's annual corporate governance statement.
- 5.7 The Board will regularly review its Skills Matrix to ensure that the Board's collective skills are able to effectively address existing and emerging business and governance issues relevant to Aurelia.

6 Board meetings

- 6.1 The Board will hold a minimum of six (6) scheduled meetings each year.
- 6.2 In accordance with rule 59 of Aurelia’s Constitution, a Director may convene a meeting of the Board at any time.
- 6.3 The Board meeting agenda will be settled by the Chair in conjunction with the CEO and Company Secretary.
- 6.4 Papers should be provided to Directors sufficiently far in advance of scheduled meetings to permit adequate preparation.

7 Non-Executive Director Sessions

- 7.1 The Non-Executive Directors will meet regularly without management present including prior to or immediately following Board meetings and otherwise as required.

8 Appointment of Non-Executive Directors

- 8.1 Non-Executive Directors will be engaged through a letter of appointment, setting out the terms and conditions of their appointment. Letters of appointment shall be addressed to and signed by each Director personally, and not a consulting entity, to ensure that the Director is personally accountable to Aurelia.

9 The Chair

- 9.1 The Chair is responsible for leadership of the Board, facilitating the effective contribution of all Directors and promoting constructive and respectful relations between Directors and between the Board and management and communicating the Board’s position to shareholders and the public.
- 9.2 The Chair is also responsible for:
 - (i) setting the agenda for Board meetings;
 - (ii) ensuring the efficient organisation and conduct of the Board's function including that adequate time is available for discussion of all agenda items, including strategic issues;

- (iii) briefing all Directors in relation to issues arising at Board meetings and overseeing shareholder communication and arranging Board performance evaluation; and
- (iv) liaison between the Board and management.

10 Chief Executive Officer/Managing Director

10.1 The responsibilities of the CEO include, among other things:

- (i) instilling and reinforcing Aurelia's values;
- (ii) ensuring the Board is given accurate, timely and clear information about Aurelia's operations, including any conduct that is materially inconsistent with Aurelia's values or code of conduct, to enable the Board to be effective in performing its functions, setting strategies, monitoring performance and discharging its duties;
- (iii) developing and recommending to the Board strategies, business plans and annual budgets for Aurelia;
- (iv) implementing the strategies, business plans and budgets approved by the Board while operating within the values, code of conduct, budget and risk appetite set by the Board;
- (v) providing effective leadership, direction and supervision of the executive team to achieve the strategies, business plans and budgets adopted by the Board;
- (vi) ensuring compliance with all applicable laws and regulations; and
- (vii) acting within the authority delegated by the Board.

11 Company Secretary

11.1 The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board including but not limited to:

- (i) organising Board meetings and Director attendance;
- (ii) monitoring compliance with Board policies and procedures;
- (iii) advising the Board and its Committees on governance matters;
- (iv) coordinating the timely completion and dispatch of the Board agenda and briefing materials, and any other Board business;

- (v) preparing minutes of meetings and resolutions of the Board and taking these to the Chair for approval and circulation;
- (vi) communicating with ASX and ASIC as necessary;
- (vii) assisting with the induction and professional development of Directors; and
- (viii) ensuring compliance with ASX Listing Rules and ASIC lodgements.

12 Independent Professional Advice

- 12.1 Directors have access to any internal information that they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions, subject to any obligations of confidentiality or conflicts of interest.
- 12.2 A Director may seek any independent professional advice they consider necessary to discharge their responsibilities, at Aurelia's expense, provided that approval of the Chair is obtained (or another non-executive Director in the event of the Chair's absence or conflict of interest) prior to such independent advice being sought. The Chair (or Committee Chair, if relevant) shall be provided with a copy of the advice and they will determine if the advice is to be circulated to the remainder of the Board or the Committee.

13 Induction, education and development

- 13.1 The Board will ensure that an induction program is developed and offered to new Directors.
- 13.2 Directors are expected to maintain the skills required to discharge their obligations to Aurelia. Directors may request and undertake training and professional development relevant to their responsibilities as a Director of Aurelia at Aurelia's expense, by request to the Chair.

14 Board Performance Evaluation

- 14.1 The Board will undertake an evaluation at least every second year of its performance, the performance of its Committees and individual Directors and if required, implement changes to improve the effectiveness of the Board and its Committees.

- 14.2 The Board will disclose within Aurelia’s annual corporate governance statement whether a performance evaluation of the Board, its Committees and Directors was undertaken in accordance with the above process.

15 Other appointments

- 15.1 A Director must inform the Chair of the Board before accepting any new appointment as a director of another listed company, any other material directorship or any other position with a significant time commitment attached.

16 Committees

- 16.1 The Board will determine the membership and composition of Board Committees, having regard to its workload, skills, experience, any regulatory requirements and the ASX Recommendations.

17 Interaction with Constitution

- 17.1 To the extent that there is any inconsistency between this Charter and Aurelia’s Constitution, the Constitution prevails.

18 Review of Board Charter

- 18.1 The Board will review this Charter at least every two years to ensure that it remains consistent with the Board’s objectives and responsibilities and recommended corporate governance practices.