

Board Charter

DevEx Resources Limited ACN 009 799 553 (Company)

1. Board Composition

1.1 Board Structure

The Board will have a minimum of three Directors.

Where practicable:

- (a) a majority of the Board should be comprised of non-executive Directors;
- (b) a majority of the Board should be comprised of independent Directors;
- (c) the Chair should be a non-executive director. If the Chair ceases to be an independent director, then the Board will consider appointing a lead independent Director;
- (d) the role of Chair and Managing Director/CEO should not be exercised by the same person;

The Board should be a size and competence necessary to properly understand and deal with the current and emerging issues of the Company's business.

1.2 Review of Board Composition

Board composition should be reviewed annually by the Board to ensure that the Directors between them bring the range of skills, knowledge, experience and diversity necessary to direct the Company going forward. In addition, the Board considers the individual performances of those Directors presenting themselves for re-election at the next Annual General Meeting of shareholders to determine whether or not the Board should support each Director's re-election.

As well as their other attributes the members of the Board should possess amongst them a range of qualifications, experience, skills and expertise considered of benefit to the Company and an understanding of and competence to deal with current and emerging issues of the Company's business.

The Board will have a Board skills matrix setting out the skills and diversity that the Board has or is looking for in order to identify any gaps in skills that the Board seeks. The Company's succession plans are designed to maintain an appropriate balance of skills, knowledge, experience, independence and diversity on the Board.

2. Role and responsibilities of the Board

The central role of the Board is to provide leadership for, and oversight of, the Company's management. The Board sets the strategic direction and objectives of the Company, and regularly measures the progression by management of those strategic objectives.

The Board is responsible for:

- (a) demonstrating leadership;
- (b) defining the Company's purpose and setting its strategic objectives;
- (c) approving the Company's statement of values and code of conduct to underpin the desired culture within the Company;
- (d) appointing the chair and, if the Company has one, the deputy chair and/or senior independent director;
- (e) appointing and replacing the Chief Executive Officer (CEO), or equivalent, for a period and on terms as the directors see fit;
- (f) approving the appointment and, where appropriate, the removal of other senior executives;
- (g) formally resolving to appoint and, where appropriate, to remove the company secretary;



- (h) overseeing management's implementation of the Company's strategic objectives, instilling of the Company's values and its performance generally;
- (i) approving operating budgets and major capital expenditure;
- (j) monitoring the financial performance of the Company and overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;
- (k) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (l) approving the Company's remuneration framework and satisfying itself that the Company's remuneration policies are aligned with the Company's purpose, values, strategic objective and risk appetite;
- (m) monitoring the effectiveness of the Company's governance practices;
- (n) ensuring the Company's Policy and Procedure for Selection and (Re)appointment of Directors is reviewed in accordance with the Company's Nomination Committee Charter;
- (o) approving and monitoring compliance with the Company's *Diversity Policy*;
- (p) if considered appropriate, establishing measurable objectives for achieving gender diversity in accordance with the Company's *Diversity Policy*, and annually reviewing those objectives and the Company's progress towards achieving them;
- (q) satisfying itself that the Company has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite within which the Board expects management to operate;
- (r) satisfying itself that an appropriate framework exists for relevant information to be reported by management to the board;
- (s) whenever required, challenging management and holding it to account;
- (t) approving the Company's policies on risk management, internal compliance and control, Code of Conduct and legal compliance;
- (u) assessing the effectiveness of management's implementation of the Company's risk management framework including the making of additional enquiries and to request assurances regarding the management of material business risk, as appropriate;
- (v) providing overall corporate governance of the Company, including conducting regular reviews of the division of functions between the Board and management to ensure that it continues to be appropriate to the needs of the Company;
- (w) appointing the external auditor (where applicable, based on recommendations of the Audit Committee) and the appointment of a new external auditor when any vacancy arises, provided that any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company;
- (x) engaging with the Company's external auditors and the Audit Committee (where there is a separate Audit Committee);
- (y) monitoring compliance with all of the Company's legal obligations, such as those obligations relating to the environment, native title, cultural heritage and occupational health and safety; and
- (z) making regular assessment of whether each non-executive director is independent in accordance with the Company's *Policy on Assessing the Independence of Directors*.

The Board may delegate the matters listed above to a committee of the Board or with management, with the Board retaining the ultimate oversight and decision-making power in respect of the matters delegated.

The Board must convene regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities. It is usual practice for the Board to meet once every second month.

3. Role and responsibilities of management

Management refers to the senior management team as distinct from the Board, comprising the Company's senior executives, being those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance.

Management's role is to support the Managing Director and assist the Managing Director implement the strategic objectives set by the Board, instilling and reinforcing its values, all while operating within the values, code of conduct, budget and risk appetite set by Board. Management are responsible for the day-to-day running of the Company, in accordance with the delegated authority of the Board.



Management is responsible for:

- (a) implementing the strategic objectives and operating within the risk appetite set by the Board;
- (b) all other aspects of the day-to-day running of the Company provided those matters do not exceed the Materiality Threshold as defined in section 4; and
- (c) providing the Board with accurate, timely and clear information on the Company's operations to enable the Board to perform its responsibilities. This information includes information about the financial performance of the Company and also its compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the values or code of conduct of the Company. Senior executives are responsible for reporting all matters which fall within the Materiality Threshold at first instance to the Managing Director or, if the matter concerns the Managing Director, then directly to the Chair or the senior independent director, as appropriate; and
- (d) any other matters specifically delegated to management by the Board.

4. Materiality threshold

The Board has agreed on the following guidelines for assessing the materiality of matters:

4.1 Materiality – quantitative

Items are material if they exceed the values ascribed to the relevant matter in the Company's Delegation of Authority Matrices, as approved by the Board from time to time.

4.2 Materiality – qualitative

Items are also material if:

- (a) they impact on the reputation of the Company;
- (b) they involve a breach of legislation or may potentially breach legislation;
- (c) they are outside the ordinary course of business;
- (d) they could affect the Company's rights to its assets;
- (e) accumulated, they would trigger the quantitative tests;
- (f) they involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items; or
- (g) they will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.

4.3 Material contracts

Contracts will be considered material if:

- (a) they are outside the ordinary course of business;
- (b) they contain exceptionally onerous provisions;
- (c) they impact on income or distribution in excess of the quantitative tests;
- (d) any default, should it occur, may trigger any of the quantitative or qualitative tests;
- (e) they are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests;
- (f) they contain or trigger change of control provisions;
- (g) they are between or for the benefit of related parties; or
- (h) they otherwise trigger the quantitative tests.

Any matter which falls within the above guidelines is a matter which falls within the materiality threshold (**Materiality Threshold**).

5. Responsibilities of the Chair

The Chair is responsible for leading the Board, facilitating the effective contribution of all directors and promoting constructive and respectful relations between directors and between the Board and management. The Chair is also responsible for approving the Board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues.



The Chair should also oversee the provision by management to Directors of accurate, timely and clear information and the implementation of policies and systems for evaluation of the performance of the Board and its Committees, and of individual Directors.

The Chair should also ensure that Directors have adequate opportunity to contribute, and seeking to develop and maintain relations between Directors and management that are open, cordial and conducive to productive cooperation.

The Chair should also provide counsel and guidance to the Managing Director, and be available for consultation with the Managing Director.

The Chair is also responsible for leading shareholder communication (subject to the role of the Responsible Officer as set out in the *Compliance Procedures*) and arranging Board, individual director and Board committee (where applicable) performance evaluations when deemed required.

Any other position which the Chair may hold either inside or outside the Company should not hinder the effective performance of the Chair in carrying out their role as Chair of the Company.

6. Responsibilities of the Lead Independent Director

Where the Chair is not an independent Director, a Lead Independent Director will be appointed. The Lead Independent Director will take over the role of the Chair when the Chair is unable to act in that capacity as a result of their lack of independence. In the event that the Chair becomes ill or incapacitated and is unable to fulfil his or her duties, the Lead independent Director (or such other nominated Director) will assume the Chair's responsibilities.

7. Responsibilities of the Managing Director

The Managing Director is responsible for the day-to-day running of the Company under delegated authority from the Board, subject to the Delegation of Authority matrices adopted by the Board from time to time. If there is no Managing Director, then any Director appointed by the Board may undertake executive duties.

The Managing Director is responsible for implementing the strategic objectives, and operating within the risk appetite, set by the Board. In carrying out their responsibilities the Managing Director must report to the Board in a timely manner on those matters required by the Company's Risk Management Policy, all relevant operational matters and any other matter that is likely to fall within the Materiality Threshold.

All reports to the Board must present a true and fair view of the Company's financial condition and operational results.

The Managing Director is also responsible for appointing and, where appropriate, removing senior executives, including the chief financial officer and the company secretary, with the approval of the Board. The Company should have a written agreement with each senior executive setting out the terms of their appointment. The Managing Director is responsible for evaluating the performance of senior executives.

8. Non-executive and/or independent directors

The Board assesses whether each of the non-executive directors of the Company is independent on a regular basis (and at least annually at or around the time that the Board/Nomination Committee considers candidates for election or re-election to the Board) in accordance with its *Policy on Assessing the Independence of Directors*. The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board.

The independent directors may meet without other directors' present, if appropriate.

9. Meeting of non-executive directors

The non-executive directors may meet without executive directors or other senior executives present at times scheduled from time to time. Such meetings may be facilitated by the Chair or the senior independent director, as appropriate, and shall be minuted.



10. Responsibilities of directors and officers

Individual directors should devote the necessary time to the tasks entrusted to them. All directors should consider the number and nature of their directorships and calls on their time from other commitments.

Directors and officers of the Company should be aware of their legal obligations, some of which are set out in *A guide to directors' duties*.

Directors are encouraged to request information from management where they consider such information necessary to make informed decisions.

11. Conflict of Interest

Directors must keep the Board advised, on an ongoing basis, of any interests that could potentially conflict with those of the Company and will advise the Company Secretary of all directorships or executive positions held in other companies.

If a potential material conflict of interest or conflict of duty arises, the director concerned will advise the Board Chair prior to any Board meeting at which the conflicted matter is to be discussed. The director will not receive the relevant Board papers and will not be present or participate in the Board meeting while the relevant matter is considered unless the other directors approve that director's participation in the deliberation and voting on the relevant issue in accordance with the Corporations Act 2001 (Cth). Any potential conflict must be recorded in the Board minutes.

12. Director and Senior Executive Appointments and Induction

12.1 Director and Senior Executive Appointments

The Company will undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director.

Before appointment, non-executive Directors must disclose to the Chairman the nature and extent of their other appointments and activities and, when advising their willingness to accept appointment, demonstrate that they understand what is expected of them and confirm that they are willing to make the necessary commitments, and will have available the time required, to discharge their responsibilities.

12.2 Director Induction

All new Directors are required to sign and return a letter of appointment which sets out the key terms and conditions of their appointment, including duties, rights and responsibilities, the time commitment envisaged and the Board's expectations regarding their involvement with committee work. New Directors should be given a briefing pack of materials setting out the Company's business activities, financial position and forward plans. New Directors should also be offered management briefings on strategic, financial and other matters.

12.3 Chairman's Consent to External Appointments

Prior to the acceptance of any relevant external appointments, Non-executive Directors should obtain the Chairman's consent. Relevant appointments include any appointment with potential to:

- (a) Cause a conflict of interest for the Director;
- (b) Affect the Director's independence;
- (c) Have reputational consequences for the Company; or
- (d) Place demands on the Director's time that could hinder their ability to attend Board meetings and discharge their responsibilities to the Company.

The Board will provide shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

13. Board Meetings

The Board should hold regular meetings with such frequency as is sufficient to appropriately fulfil its duties and discharge its responsibilities.

An agenda, Board and Committee papers and related material should be provided to Directors sufficiently far in advance of the scheduled meetings to permit adequate preparation.

Minutes for each meeting should be recorded promptly after the close of the meeting.

Board meetings are otherwise regulated under the Constitution of the Company.

14. Board Committees

The Board may from time to time establish standing and ad hoc Committees to assist it in carrying out its responsibilities. For each Committee the Board should adopt a charter setting out, where relevant, its role, composition, powers, responsibilities, structure, resourcing and administration, and any other relevant matters. The appointment of a chairman and of the members of any Board committee will be made by the Board.

Each Committee should report to the Board on specific issues as and when required under its charter and on the proceedings of each meeting of that Committee to the following Board meeting. Except in cases which involve conflict of interest, the minutes of all Committee meetings should be made available to all Directors as soon as practicable.

15. Board Performance

The Board may undertake an annual performance evaluation if deemed required that:

- (a) Reviews and assesses the performance of the Board against the requirements of this Charter and the ASX Recommendations;
- (b) Reviews the performance of the Board Committees against the requirements of their respective Charters; and
- (c) Reviews the individual performances of the Chairperson, Directors, the Managing Director/CEO and Senior Executives.

16. Policy on independent professional advice

The Board acknowledges the need for independent judgement on all Board decisions, irrespective of each individual director's independence.

To assist directors with independent judgement, it is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval for incurring such expense from the Chair, the Company will pay the reasonable expenses associated with obtaining such advice.

Where it is the Chair who is seeking the independent professional advice, the role of the Chair to consider and provide approval as set out above should be carried out by the Chair of the Audit and Risk Committee.

17. Company Secretary

The Company Secretary's role is to support the effectiveness of the Board and its committees. Each director should be able to communicate directly with the Company Secretary and vice versa.

The responsibilities of the Company Secretary include:

- (a) advising the Board and its committees on governance matters;
- (b) monitoring that Board and committee policy and procedures are followed;
- (c) coordinating the timely completion and despatch of board and committee papers;
- (d) ensuring that the business at board and committee meetings is accurately captured in the minutes; and
- (e) helping to organise and facilitate the induction and professional development of directors.

18. Review of Charter

The Board will review this Board Charter at least annually, and update it as required.