

APPENDIX 1.1

Board Charter

POWER AND AUTHORITY

The shareholders have elected the Directors and have authorised them to manage the business of the Company and to exercise the powers conferred under the Constitution and the law.

The Board is thereby responsible for the performance of the Company and guiding and monitoring the Company on behalf of the shareholders to whom they are accountable.

DELEGATION OF AUTHORITY TO MANAGEMENT

The Board has delegated responsibility for the conduct of the Company's businesses to the Managing Director, but remains responsible for overseeing the performance of management. The Board has established delegated limits of authority, which define the matters that are delegated to management and those which require Board approval. They include:

- Delegated Limits of Authority
- Commodity Risk Management Policy
- Health, Safety and Environment Policy
- Remuneration Policy

The policies and delegated limits of authority are reviewed on a regular basis.

RESPONSIBILITIES OF THE BOARD

The Board retains all rights and powers conferred upon it by the Constitution and the law which cannot be delegated.

The primary role of the Board is to ensure the long-term prosperity of the Company. To ensure that this is achieved specific responsibilities of the Board include:

- Approving the strategic direction, policies and budgets of the Company and ensuring that these are followed.
- Approving and monitoring the progress of major capital expenditure over \$150,000, capital management and acquisitions and divestures.
- Monitoring financial performance including approval of the annual and half year financial statements and reports.
- Appointing the Managing Director and monitoring the performance of the Managing Director and senior management.
- Overseeing the remuneration, development and succession planning for the Managing Director and senior management, and ensuring that appropriate human resource management systems are in place.
- Ensuring appropriate risk management systems are established and reports on performance are regularly reviewed.
- Reviewing and approving the Company's compliance systems and corporate governance principles.

- Ensuring the Company provides continuous disclosure of information to the investment community, and that shareholders have available all information they reasonably require to make informed assessments of the Company's prospects.
- Overseeing the Company's commitment to its values, sustainable development, the environment and health and safety of employees, contractors, customers and the community.
- Ensuring the reputation of the Company is protected and enhanced.

The Board may establish other policies and practices to ensure that that the Board fulfils its functions and ensuring that it remains an effective decision making body.

COMMITTEES OF THE BOARD

The Board has established committees to assist in the execution of its duties and to allow detailed consideration of complex issues or areas of special interest. Current committees established by the Board are:

- Audit Committee
- Remuneration Committee
- Risk and Compliance Committee

Each of these committees has its own written charter setting out its roles and responsibilities, composition, structure, membership requirements and the manner in which the committee is to operate. All charters of committees of the Board are reviewed on an annual basis and to be made available on the Company website. Each of the committees comprises only independent non-Executive Directors.